



**New York Democracy Forum**



*“Can the Whole World Become Democratic?”*

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Thank you, Noel, for that very warm and generous introduction and thanks to the Foreign Policy Association for organizing and co-sponsoring this series. Since it's a series about democracy, if you don't mind, I'd like to speak about democracy and its prospects tonight. And mainly what I'd like to deliver is a very hopeful message about the future. I hope also that it will not appear to be and will not be blithely hopeful because I do think that democracy in the world confronts a number of very serious challenges and we may be coming into a rather difficult period. But at the same time the trend is in a very good and surprisingly robust direction. And so first I want to talk about and review that direction and justify my argument that there's very good reason for hope, to answer my question, that all countries in the world someday can become democratic. And second of all I want to tell you why I'm kind of worried about the moment we're at, and then I will tell you about what I think needs to be done to get there over what will probably be a period of several decades.

I think you all know that the world has been absolutely transformed in the last 30 years, since this latest wave of democratic expansion began in Portugal in April of 1974, which the Portuguese Revolution that overthrew several decades of sort of quasi-fascist dictatorship.

Now at the time, nobody knew that this was going to launch a transformation of the way the world is governed, the way that regimes organize themselves around the world. It was far from clear in April of 1974 that Portugal would become a democracy when the military overthrew the Salazar-Caetano dictatorship. It had never been one

before. It had just been through a half a century of dictatorship. The Spanish dictator, Francisco Franco, was still hanging on across the border without too much longer to live, as it turned out. Both countries were steeped in a Latin Catholic cultural tradition that was dismissed by many political scientists and commentators as being unsuited to democracy. It's very important that we remember that when we think about the debate between Islam and democracy today. That logic was also used at the time to justify the absence of and the unsuitability of democracy in Latin America. And I remember having a lot of debates with certain American specialists on Latin America about this. And then Portugal was in turmoil at that time, the military was split into various ideological factions, the country was plagued, in fact, by 18 months of coups, countercoups, and very fragile government, before the democrats won.

Now that triumph was the beginning of a succession of democratic transitions around the world. When it began in 1974, there were only about 41 democracies in the world. Remember that number, 41. This was barely a quarter, about 27 percent of all the independent states in the world. So democracy was a relatively rare phenomenon and it was mainly a western phenomenon then. There were a few democracies scattered around Latin America, in Costa Rica for example, and Venezuela—in Asia, India and Sri Lanka, in Africa, Botswana—but there were very few developing countries that were democracies. Most of the developing world, Latin America, Africa, Asia, and the Middle East, if we could even call it developing then or now, most of it was governed by one or another form of dictatorship. And of course, you had the Soviet Union and the former communist bloc in Eastern Europe, China, and so on, all with communist monolithic dictatorships.

Since 1974, democracy, which I will define simply for the moment as a system of government in which the people choose their leaders and can replace their leaders at regular intervals through free, fair, and competitive elections. And it's vital in thinking about the definition of democracy that elections truly be free and fair. Since then democracy has really expanded dramatically around the world. The democratic wave spread from southern Europe to Latin America. By 1990, when Chile had become a democracy, most of the region was democratic. It spread to Asia, beginning in an important way with the People Power Revolution in the Philippines in 1986, the Korean mobilization by a very energetic and courageous civil society for democracy in Korea in 1987, the transition to democracy in Taiwan began much more slowly than as well.

By 1987, the third wave had spread to the point where about two of every five states in the world were democracies. So in percentage

terms we went from about 27 percent of all the independent states to about 40 percent. Then we had all of Western Europe, of course, much of Asia, most of Latin America as democracies, but still gaping holes in the Soviet bloc, Africa, the Middle East. Democracy was then, in other words, just less than 20 years ago, still largely a regional phenomenon though not exclusively a western phenomenon. And then you all know what happened between 1989 and 1991. The Berlin Wall fell, communist regimes throughout Eastern Europe collapsed, and the Soviet Union itself collapsed, and new democracies emerged throughout much of the old communist bloc. Not entirely in the former Soviet Union and not even entirely in Eastern Europe, but gradually in most of the former communist Europe and some of the former Soviet Union, particularly the Baltic States.

Coincidentally and not by pure coincidence, at the same time there began, just after the Berlin Wall fell, in February of 1990, the beginning of what has been called a second liberation in Africa. The first one, of course, was in the early 1960's when the western colonial powers finally began to withdraw and end their colonial regimes in sub-Saharan Africa. But in February of 1990, in the very same month, two very critical events happened that were to have shock waves throughout the continent. One was the release of Nelson Mandela from almost 30 years of prison and the un-banning of the African National Congress in South Africa, which launched a very impressively negotiated, pacted, restrained, interactive, transition to democracy in South Africa, beginning with a far-reaching power sharing agreement between the democratic movement and the apartheid government. And in Benin, this tiny West African country that had been a kind of socialist one-party dictatorship, under quasi-military rule, civil society forces came together and basically said we've had enough. We don't recognize this government as legitimate anymore, we declare ourselves to be the transitional government of Benin. And they had so much power, sympathy, support from their own society in the west that the government actually fell and a transition to democracy began in Benin.

That started a wave of democratic change in Africa to the point where now there are more African democracies than ever before. You could argue that of the 48 or so independent states in sub-Saharan Africa, maybe as many as 14, 15, 16 of them, in other words maybe a third, are actually democracies today. And many others at least have competitive multi-party elections. There's no longer as hegemonic a one-party state as there used to be in Africa.

So to appreciate the depth and breadth of what's happened since 1974, consider this: I told you there were 41 democracies in 1974. There were 150 independent states in 1974. Let's think about what happened

to those other 109 states that weren't democracies in 1974. Of course if this were a college lecture I'd have my tables and my figures but we don't need that. You can follow what I'm saying. Fifty-six of the 109 states that weren't democracies in 1974 made a transition to democracy at some point since.

Now one of the problems with transitions to democracy is sometimes they happen and then you get transitions back to authoritarian rule. You get breakdowns of democracy for a variety of reasons, and that's why we have a third wave of democracy because the previous two collapsed in a wave of democratic regressions. But this wave has been different and that's one of the major points I have to make to you tonight. Of those 56 countries that existed in 1974 and made transitions to democracy, only three of them are not democracies today—had a transition and then lost their democracy and still don't have it again, and those three are Russia, where democracy has expired under Vladimir Putin, Pakistan, where the military overthrew the democratic regime—

[public address system announcement]

I was hoping it wouldn't be that.

[public address system; possible fire alarm]

[public address system; problem located and resolved]

Thank you. [laughter]

Okay, let's give the guy a big hand. [applause]

Okay, thank you. Now of the 56 states that made a transition to democracy, from 1974 to the present, only three of them are not so today. There are another 43 states that were born during this period, that can into being as a result of the dissolution of the Soviet Union, the dissolution of the former Yugoslavia, and the fact that a lot of states ceased being colonies and got their independence during this period. Actually there were 45 states created and then two that disappeared when Viet Nam and Germany re-unified. And of these 45 states that were created anew during the third wave of democratization, almost three-quarters of them, 71 percent, are democracies today.

So I think you get the point. We've got a lot of momentum behind democratic change in the world. We've got a situation today where about three-fifths, 60 percent or so, of all the states in the world today, choose their leaders and replace their leaders through regular, free, and fair multi-party elections. It isn't always pretty. Sometimes there's violence. Sometimes there's a lot of corruption, abuse of human rights,

weak judiciary and police, and so on, and so forth, but at least they have a democratic form of government where they can correct this over time, at least in theory.

I would say, in answer to the question I've posed in this lecture, can most countries become democratic, in principle there's a bias for thinking from this evidence that most states can become democratic because the majority of states in the world already are democratic. Moreover, I want to emphasize the distinctive nature of this third wave of democracy also lying in the fact that there have been so few breakdowns of democracy since 1974.

When you add it all up, there might have been something like 70 to 80 transitions to democracy during this period, and of these very large number, only about 14 have broken down. And the total number of democracies that have existed in this period, at any time during this period, is 125, and only 14 of those suffered a breakdown, and in 9 of the 14 countries democracy has been restored by the present time. So this is quite a record of persistence and endurance.

Then we come to the fact, which challenges a lot of social science theories about there being economic and social preconditions for a democracy, such that if you don't have them you can't have democracy—a theory that is often attributed my mentor and very dear colleague, Seymour Martin Lipset, who wrote a very famous article in 1959, *Some Social Requisites of Democracy*. But you know, Professor Lipset was a very visionary thinker. He didn't use the word prerequisites when he wrote his article, and he actually phrased his theory quite carefully. It was later, I think, misinterpreted to be a very kind of rigid rule, when in fact it allowed possibilities for democratic development in surprising ways, and we find a lot of surprises in the world. Today we find, if you look at the poorest third of countries in the world, the 55 countries in the world that are at the bottom in the UN development programs annual ratings of human development, the human development index, which takes into account economic development, literacy, and so on—if you look at the poorest third of those countries, fully 40 percent of them now are democracies. This is a stunning statistic that has never existed before in the world. And as I often say when I talk about this issue, if democracy can emerge and persist, now for well over a decade, in an extremely poor, landlocked, overwhelmingly Muslim country, like Mali, in which the majority of adults are illiterate and live in absolute poverty, and the life expectancy is 44 years, then there is no reason in principle why democracy cannot develop in most every other very poor country.

Now, that's the good news. Tremendous resilience, progress, even at

the low end of human development for democracy. Now here is the sobering news. The movement to stabilize, institutionalize, these new democracies, give them very strong roots, because they are performing well, because they deliver a strong rule of law, protection for human rights and civil liberties, order in the society, and economic growth, is not going as well. Many of the new democracies that have emerged during this period remain seriously illiberal with strong violations of human rights, particular at the level that citizens most often experience them, in interaction with police and other elements of state security, and pervasive corruption.

There is just no problem in the world that more threatens the legitimacy of democracy, the esteem that people have for their own democratic system, and that more breeds cynicism about political parties and institutions of democracy, parliaments, legislatures at the local level, all forms of representative government, than the perception, which is usually based in some degree of reality, even if it's exaggerated, of widespread corruption, rent seeking, and abuse of power, by the democratically elected officials and the state appointed officials that they supervise. And as a result of this we see crisis after crisis in the existing democracies around the world. We have a reformist government in Brazil, a kind of socialist government that was supposed to be a government of the people, mired in a spreading scandal that could actually now swallow the president himself, after having forced out of office many of his party leaders. You have the prospect, after one government after another, in a period of months, rotating through power in Bolivia—the very radical representative of the indigenous people of Bolivia being elected to power there as a reaction against the lack of social reform and social justice through over 20 years of democracy in that country. You have, after decades of relentless corruption on the part of the Venezuelan ruling elite, a former military officer who twice tried to seize power in a military coup, Hugo Chavez having been elected twice in Venezuela in democratic elections. The second time, of a questionable nature, and now setting up a kind of quasi-socialist state. You have the Philippines president mired in a scandal where she was caught on tape trying to influence the election commission in the way it was counting the vote. And I could go on and on.

You've got a lot of very serious problems in many of the new democracies that have emerged in Asia, Africa, Latin America, post-communist Europe, and to conclude this assessment of where we stand, you have the fact that there's one section of the world, fortunately only one, but quite strikingly one, where the democratic wave has really not reached at all, at least not reached to the point where it has created yet

a single clear instance of a functioning electoral democracy, and that of course is the Arab Middle East. The 16 states of the Arab Middle East are all, to one degree or another, authoritarian, though Lebanon has an elected government, it sits under the shadows still of Syrian control. Though Iraq has an elected interim government and will elect a government under a new constitution on December 15th, I think one must raise a lot of questions about the depth of freedom and fairness of those elections in a climate of pervasive violence. And when you get past those two countries you don't even have competitive elections for any real positions of power.

So this is a very serious break on the globalization of democracy and we need to think about what can be done to extend the democratic wave to those areas of the world that it hasn't touched and to strengthen the cause of democracy, of reform, of good governance, justice, and the rule of law, in those countries where democracy in the formal sense has reached.

Now I have a lot more to say about the state of democracy in the world, a lot more evidence and so on. I'm not going to burden you with it now. I'm just going to say that the paper's on my web site at the Hoover Institution if you want to download it and read it. And I will conclude by telling you what I think we should do if we want to sustain and expand this global wave of democratization to a point, which I think is imaginable, maybe not in my lifetime but in your lifetime, where every country in the world could be a democracy.

First of all, you know, rulers do respond and countries do respond to incentives. And the incentives in the world have been improving for democracy and against dictatorship. One of the reasons why Eastern Europe has made such rapid progress toward the consolidation of their new democratic regimes is because they've been sucked up into Western Europe and now the European Union, and the cost of defecting from democracy and overthrowing it, and losing all the advantages of membership in the European Union, which are conditioned on being a democracy, are huge for any country and its ruling elite. And so this gives them great pause in terms of how far they would go to undermine the integrity of elections and the rule of law, and leads them to make concession after concession to European Union negotiators to strengthen and reform their judiciaries, reform their bureaucratic structures and legal codes, improve transparency, and basically, in many respects, deepen the quality of democracy.

We have in the Americas a phenomenon where there have been very few reversals of democracy in these last 20 years of democratization, in part because we've been vigilant, and we've passed a resolution the

Organization of American States in 1991, called the Santiago Declaration, that requires all the member states to meet in urgent session and consider what to do if any member state loses its democracy, and the implication is they could be suspended from OAS membership. And in fact there have been several instances where military coups have been averted or executive seizures of power because of early action by the Organization of American States, not just the United States but obviously us playing a major role.

Now what more can we do to deter democratic reversals and induce further democratization and the deepening of democratization? I think we have to make democratization pay—for rulers and for their people. And this requires, in part, assisting the process of economic and social development in a way that will really help these countries take off from poverty or a very inadequate middling level of development. Many of the suggestions I'm going to reel off now are articulated in this report, which Noel kindly mentioned, that was published two years ago by the U.S. Agency for International Development, called Foreign Aid in the National Interest, which you can download from the web site [www.usaid.gov](http://www.usaid.gov) by going there and clicking on publications. And this philosophy helped to give rise to the most important innovation in foreign aid, conceptually, I think, in 40 or 50 years—something created in the last few years under the Bush Administration called the Millennium Challenge Account, which is a new competitive fund for foreign assistance given to countries on the basis of their being responsible and well governed—countries that score much better than other countries, in terms of rule of law, investing in people, and promoting freedom.

So building on that kind of principle, I think our overall levels of foreign assistance, not just this small and in fact much too small pot of fund for the Millennium Challenge Account, should be linked clearly to a country's development performance in every respect—how well they are doing in terms of democracy, human rights, controlling corruption, delivering a rule of law, and spending development resources that they have efficiently, fairly, and wisely, as a result of better governance.

Secondly, following from that, we should reward good performers very tangibly. They should get more aid, and not just more aid from the United States but more aid from other international bilateral donors, principally Europe and Japan, from the World Bank, the African Development Bank, and so on, and so forth.

Third, and this is a very important principle of the Millennium Challenge Account, the rewards should be granted for demonstrated performance not for promises that are made and broken. So you look

at what countries have actually done and then decide how much assistance they're going to get.

Following from this, fourth, I think, and we recommend in the report, minimizing or reducing state to state assistance with governments that are truly bad, repressive, and unaccountable, and trying to channel more of our assistance in those circumstances in to civil society organizations.

Fifth, as I've suggested, we have to carry these principles of foreign aid, not only into our own foreign aid but into what the World Bank does, the International Development Banks, our other allies in foreign aid donations.

And this leads, sixth, to the argument that we have to work more closely with our allies—something that, frankly, we haven't done a very good job of in recent years to coordinate pressure on really bad government.

Seventh, donors should encourage the global private sector to accelerate efforts to incorporate judgments about transparency and good governance into what they do. And fortunately we're getting better measures of corruption and public integrity efforts to control corruption so that investors can do that.

Eighth, we've got to strengthen the global rule of law. I can't emphasize too often and strongly enough that if we're serious about fighting corruption we've got to look at what happens in our own countries and not just in Africa or Asia because it is to our own countries that elite who have stolen their people's money are going to deposit that money in bank accounts, to buy property, to buy up hotels and real estate, and to basically park their assets, send their children to school, and so on, and so forth. And we have to come down on that very hard and make it much more difficult for corrupt elites to get away with it.

Ninth, I think we need very far reaching trade liberalization, reduction of our agricultural subsidies, particularly trade liberalization directed at other democracies, so that they can really benefit from the better governance that they are applying to economic development.

Tenth, I've argued that a greater proportion of our overall development assistance in the world should go to promoting democracy. And here I must congratulate the Bush Administration for putting its money where its mouth is. The budget of the National Endowment for Democracy has increased dramatically in the last five years, upon the recommendation of the Bush Administration, and so have other efforts

to promote democracy using other vehicles in the U.S. government.

A few more things and then I'll close. Number one, we have to open up the closed societies of the world that thrive, in terms of their dictatorships, by being closed and denying their people access, in part, to us. And I'm talking about North Korea, Iran, Burma, Cuba. One of the dumbest policies that the United States has pursued for the last 45 years now is these stultifying sanctions on Cuba and the various versions that we've applied elsewhere. Because all they've done is give Castro an excuse to say it's not my fault you're poor. Blame the United States. And it's precisely what the corrupt and incompetent theocratic regime in Iran is doing now. I want to get access to those societies. I want us all to have access to their people and to be able to engage them, inspire them, make them aware of the democratic revolution in the world, and enable them to have more resources, ideas, and tools, to do what they then, I think, could do more effectively to bring down their own dictatorships. Part of freeing up these societies is opening up our borders again. We have swung much too heavily since September 11th to a paranoid closure of our borders from not only dangerous types who need to be kept out but also from proven, clear, demonstrated, democratic forces in civil society as well. We've got to have a new visa regime that would enable these people, without the kind of humiliation that is visited upon them in American consulates and at our borders here, to enter this country and engage us.

Finally, if we're going to be effective, we just have to understand these places better than we do. One of the reasons why we've gotten into such trouble in Iraq is because we just didn't know what we were doing there. And that didn't stop us from arrogantly thinking that we did and trying to do it. So we need to have a new generation of effort to master the languages of countries where democratic development is the challenge ahead of us—Arabic, Urdu, Farsi, as well the Spanish that many of us speak, Chinese, and we need to invest in area studies so we really understand these countries. Then I hope, I dearly hope, that our policy officials, who are drawing up policies to try and encourage democratic change in the world, will do so by peaceful means and will listen to people who really understand these countries.

Thank you very much.

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