
1.1 Challenges from Within new democracies

(i) Political Crisis

Many new democracies make valiant reforms without devolving power from the concentrated centre. When there is little structural change (or power distribution) then severe political and economic inequity can continue to act as de-stabilizing forces. This further contributes to the public perception of political illegitimacy at the government level. In extreme cases, failure of a political model or rampant corruption and fraud can also lead to crisis as governments/politicians seek to distract criticism. Similarly, insurgency wars can be escalated in terms of rhetoric and action to rally a population behind a floundering leadership. The spinoffs of such campaigns can fragment society and lead to crisis.

(ii) Economic Crisis

An economic crisis caused by any number of things (including currency speculation, devaluation, hyperinflation, and severe austerity measures associated with adjustment) has been the most prevalent challenge to new democracies in Latin America and Russia thus far. Governments and IFIs have not been highly successful in stabilizing these economies, thus crises are recurrent.

(iii) Crime and Banditry

Public safety is a primary concern under a newly democratic regime. Under authoritarian or totalitarian rule, crime tends to be systematic rather than random. When citizens feel their sense of public security is undermined by the transition from a controlled environment to the unpredictability of a democratic one, they may demand a return to the previous system.

(iv) General Disillusionment

Disillusionment caused by unrealistic expectations is another internal challenge to new democracies. Democracies take time to consolidate, but often citizens expect profound changes in both their personal and public lives to immediately accompany the transition.

2. Towards Defining Democracy

Democracy means different things to different people at different stages. For the purpose of framing a position, we propose the following working definition:

Democracy is a process which gives citizens responsive and representative institutions and mechanisms to pursue their economic, political, social and cultural affairs. Furthermore, it
