Canadian Centre
For Foreign Policy
Development

Centre canadien
pour le développement
de la politique étrangère

REPORT FROM THE HALIFAX ROUNDTABLE: DEMOCRATISATION IN THE AMERICAS

July 9, 1999
Halifax

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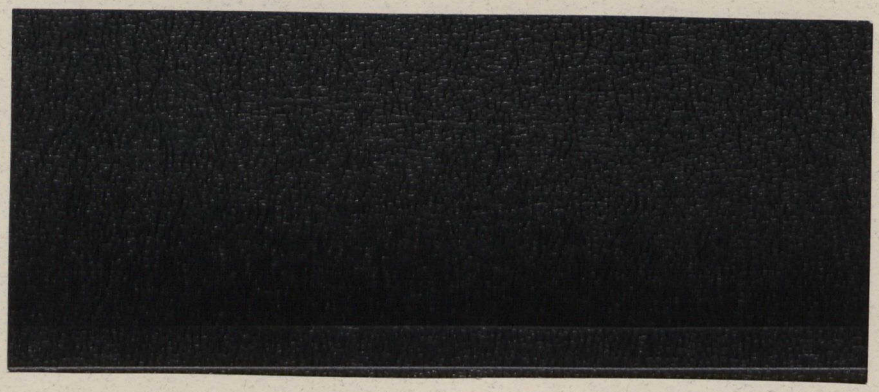

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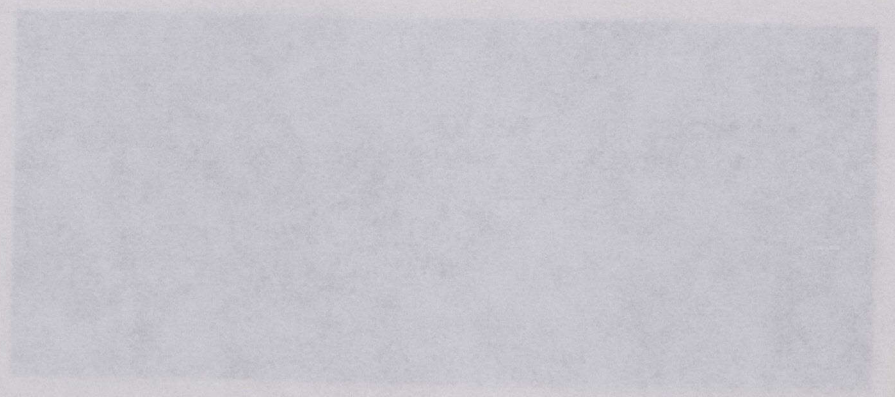

REPORT FROM THE HALIFAX ROUNDTABLE: *DEMOCRATISATION IN THE AMERICAS*

July 9, 1999
Halifax

On July 9, 1999, the Canadian Centre for Foreign Policy Development, with the Centre for Foreign Policy Studies at Dalhousie University, organised a one-day roundtable in Halifax on "Democratisation in the Americas." Experts on democracy-related issues as well as some NGOs, including Amnesty International and Development and Peace, met to address opportunities and challenges for democratisation in Latin America and to offer ideas for Canadian policy options. The meeting was a continuation of a public discussion begun in Calgary (March 17, 1999). That meeting included a wider variety of NGO, labour and business representatives as well as academics and students. It was aimed at identifying the broad issues that the participants felt deserve attention of Canadian policy makers. Promoting democracy in the Americas surfaced as one of the key policy issues and one of the prerequisites to the success of other objectives. The Halifax meeting was a response to that recommendation.

1. Starting the Discussion

The welcome was extended by **Tim Shaw**, the Director of the Centre for Foreign Policy Studies at Dalhousie University. He mentioned the continuing relationship between his Centre and the Canadian Centre for Foreign Policy Development. According to him, the development of Canadian foreign policy is becoming more interesting as new actors, traditionally excluded, are getting involved in the process. There has been a surge in community level involvement in recent years on a variety of issues. The network of bodies aimed at engaging the public in foreign policy development seems to be growing internationally as the establishment of the Foreign Policy Centre in Great Britain shows.

Following Tim Shaw's remarks, Marketa Geisler from the **Canadian Centre for Foreign Policy Development (CCFPD)** welcomed everybody on behalf of Steven Lee, the National Director of the Centre. She reminded the participants that the Centre's mandate is to help Canadians outside of government contribute to the development of Canada's foreign policy. This roundtable in particular was aimed at generating policy options on promoting democracy in the Americas. It is a part of a two year process of Canadian foreign policy development in the Hemisphere, leading up to the 3rd Summit of the Americas (Quebec City, 2001). It is also a continuation of a public discussion started in Calgary in March (March 17, 1999). The CCFPD's

own experience also shows that the importance of active civil society in foreign policy development is growing world-wide. This trend is evidenced, for example, by the Centre's discussions with representatives of the Mexican Ministry of Foreign Affairs (Unidad de Coordinacion y Enlance). Increasingly, NGO representatives participate in processes that have foreign policy implications. For instance, some NGOs were invited to participate in the Spousal Summit meeting.

Robert Finbow of Dalhousie University then proceeded to introduce the subject and outline the day's discussion. He argued that despite the general euphoria that democracy has triumphed in Latin America there still exist some serious challenges. He referred to a map generated by CNN which classified countries as democratic (blue) and undemocratic (yellow). The map showed only two countries, Cuba and Peru, as the yellow exceptions in the sea of blue. According to Finbow, this classification is overly simplistic. It is necessary to critically evaluate the various models of democracy (i.e., procedural form, high/low degree of dispersal, etc.) in order to get a clear picture of the level of democratisation in Latin America. The problem of backsliding form democratic achievements has also become a problem. Pertinent questions should include: does economic liberalisation weaken public participation and how? Should theorists begin to focus on consolidation of democracy issues rather than transition stage issues? How is social order, democracy and prosperity related? What could be some of the alternative models of democracy, besides presidential, in Latin America?

2. Defining Democracy

The discussion started with attempts to define democracy. Some argued that one of the elements of a democracy is a clear separation of powers, some theory of participation and some theory of equality. Others argued that the concept of democracy is dynamic. It changes according to its contexts (i.e., liberalisation, globalisation).

Problems arise in defining "the" model for democracy since, as Christine Paponnet-Cantat from the University of New Brunswick argued, the perception of democracy is contentious even in Canadian classrooms. (The disputed connection between the market and democracy may serve as an example). Others pointed out that the electoral system in Canada is itself quite archaic and mostly inapplicable in the Latin American context (the Canadian Parliamentary system *versus* the American Presidential system). Therefore, extreme care should be taken not to superimpose Canadian ideas about concepts such as majoritarianism or egalitarianism. (Majoritarianism as well as egalitarianism can easily thrive in democracies and authoritarian regimes alike.)

Max Cameron of the Carleton University argued that there has been an apparent shift in perceiving the viability of a democracy, at least theoretically. **The focus on procedures and institutions, elections in particular, has shifted to evaluating "democratic" behaviour and outcomes.** An important dimension to assessing a democratic order has been thus added. The

number of elections is no longer considered a sufficient indicator of a consolidated democracy. Elections do not necessarily produce democratic leaders. On the contrary, they may lead to cementing an authoritarian regime. While institutions and procedures are important, more attention should be paid to what goes on inside them and what they produce.

Judith Weiss, Mount Alison University, argued that the problem with conceptualising democracy in Latin America is the undue pre-occupation with what the mainstream considers as "purely" political. She pointed out that economic, social and cultural rights are as important for any democracy as political rights (i.e., freedom of expression, freedom of association, electoral rights, etc.). She drew attention to the disintegrative trends globalisation had on the social fabric and culture of Latin America.

Yvon Grenier, St. Francis Xavier University, thought it is useful to differentiate the means to democracy from the ends of democracy. He argued that help should come with the former rather then the latter.

3. Democracy and Governance in Latin America in the Late 20th Century

Tim Shaw then turned the tide of the discussion to governance issues and the problems of curtailing the strong Latin American militaries as well as dealing with the informal and illegal sectors. Others reflected on his concern with the military, especially the favourable constitutional framework present in many Latin American countries that allows the military to intervene under certain circumstances. For example, in Peru, the military courts ignore civilian *habeas corpus* even on issues such as drug trafficking.

Some expressed their concern about the efficacy of democracy in Latin America and how to find models that fit best the realities of the region. A positive example was given of a new mechanism in which people who do not have access to the justice system can appeal to peace judges. Katie Orr pointed out the dangers of making policy out-of-context. She talked about the police re-training initiatives in Haiti that resulted in a skewed social stratification when police officers' wages were hiked up to make almost twice as much as judges. Criticism was raised against the Unit for Promotion of Democracy at the OAS for failing to promote separation of powers between the President and the Judiciary. OAS policies thus seem to further reinforce the problem of undue concentration of power in the hands of Presidents.

Many participants agreed that grass-roots activity and initiatives are the *sine qua non* of any genuine democratic system. Advancing Cameron's initial ideas about the importance of behaviour and output as well as institutions and procedures, elections alone may not do much for the necessary democratisation of the entire state machinery (i.e., the military, the police apparatus, or the Central Bank). Bottom up approach to democratic reform is required for these bodies to become democratic. Democratisation has to begin at the societal level.

Some agreed that there exists a grave danger of regression to authoritarianism. Examples of Peru, Nicaragua, Costa Rica, and Columbia were given as countries in which the democratic regime was "hijacked" to accommodate demands of international organisations. This trend is especially apparent in human right abuses. In Peru, for example propped-up charges of terrorism and other criminal activities serve as a cover for increased political repression. In the case of Peru, institutions "improved" in the name of democracy actually aid undemocratic practices. Trends of criminalisation of the economy or enlargement of the so called grey zone occur, for example, in Argentina – a country which is also experiencing increasing rates of crime and repression.

An argument was made that the fundamental problem of good governance and the related "regression" syndrome in Latin America is the declining capacity of states to carry on their traditional roles, including such basic functions such as the provision of common security. (It is here where the need for assistance arises – dealing with practical day-to-day problems faced by many countries in Latin America. This argument would support Grenier's idea of focussing assistance on means as supposed to the ends. However, others pointed out that the capacity of Latin American states to provide security varies widely. Some militaries and police are too strong, some too weak, yet others are incompetent. Finding a coherent policy would be extremely difficult.)

According to some participants a related outcome of the so called "hollowing out of the state" is a rather paradoxical statement that as democracies spread around the world people have less impact on decision making. While democratisation empowers them, economic globalisation promptly incapacitates them. The real decisions seem to be taken in corporate boardrooms or by mafia bosses. As a result, NGOs in Latin America have assumed a para-statal role as they often step in, especially where social development is concerned. In Peru, for example, the NGOs have taken up the role of a social guard in place of the state. Excessively strong NGOs may actually threaten the development of a democracy as they are not accountable to the people they serve but to their donors (often private sector or state). In extreme cases they actually bypass legislation. A possible solution to this problem could be making the NGOs more responsible and accountable to their constituencies. However, Grenier argued that participation without pluralism means nothing, downloading responsibility to the NGOs would render criticism and opposition ineffective. In the long run states should have responsibility for social programmes.

Frank Palermo of Dalhousie University contributed to the discussion by saying that there is incongruence between established processes (i.e., rules, procedures, as well as institutions) and practice (i.e., attitudes, cultural sub-texts) in many Latin American countries. He gave an example from his experience with the political process in Brazil. As he pointed out, in Brazil voting is mandatory and generates lots of discussion on the street. People are genuinely engaged. However, serious concerns arise at the practice level. Elected office holders often assume huge amounts of power without any real accountability. Mayors, for example, have a tremendous amount of leverage. Here we come to a very contentious problem of changing societal values (perhaps culture) so that the gap between intentions and implementation

is narrowed. **It is necessary that this problem be addressed at the local level with concepts like transparency and accountability at the centre.** Undisclosed irregularities have to be addressed and elected officials made responsible and accountable in order to diminish corruption.

The changing role of the Church in Latin America was also explored. It was noted that the Protestant faith has been gaining ground on Catholicism. Protestant ideology seems to spread along with economic liberalisation, much to the concern of the Vatican. Traditional roles the Catholic Church used to play in the lives of Latin Americans are diminishing.

4. "Development" in the Context of Globalisation

Discussion turned to issues addressing the relationship between democratisation and economic development. James Guy, University College of Cape Breton, asked what was the prospect for democratisation in the current economic context and *vise versa* what was the prospect for economic development in the "democratisation" era. We should be careful about making correlations between democracy, development, and marketisation. The tension between liberalisation and democratisation should also be stressed. The trends may or may not reinforce each other.

Viviana Patroni of the Wilfrid Laurier University expressed her doubts about genuine democratisation in the context of globalisation. Globalisation can undermine the transparency of policy as well as government's accountability to its electorate as private corporations, including multinationals, gain power and strengthen their links with the government. Globalisation can, therefore, lead to de-politicisation of social relations as everything becomes to revolve around a supposedly neutral market economy. Furthermore, globalisation may reinforce the hegemony of certain states rather than undermine all states equally, as some would have us believe, creating an asymmetry in the international system. A single global market requires a transparent and clear regulatory framework to improve its legitimacy.

It is also necessary to clearly define stake-holders in any economic endeavour to avoid marginalising certain groups. An example of a group repeatedly marginalised in Latin America is Indigenous Peoples. A recent conflict between a forestry company and an indigenous group in Chile points to this trend. It would be useful to make the inclusion of such groups a requirement in trade and other economic agreements.

5. Policy Ideas for Promoting Democracy in Latin America

➔ **The most pertinent policy idea that came out of the discussion was that since Canadian foreign policy in the Americas seems to be trade-driven, democratic values could be promoted by including items such as human rights, environmental protection, or social, economic and cultural rights in trade and other economic agreements. Canadian foreign policy should be thus tied to Canadian economic policy.**

Focus could be developed in certain areas. Judith Weiss, for example, argued that a good place to push for democratic values could be in the Latin American Export Processing Zones where Canadian companies could be the vehicles of promoting democratic values, including labour rights or safe environmental standards. Others argued that such a development is highly unlikely, especially in Export Processing Zones. Policy should rather focus on the development of general Codes of Conduct for Canadian businesses. In many cases, a transparent regulatory framework prohibitive to corruption and clientalism is favoured by business. **Therefore, Canadian business could be a part of promoting democracy in the Americas.**

On the international level, Canada and Canadian businesses should promote the development of standard Codes of Conduct. Pressure could be applied through international economic fora, such as the WTO, FTA, or NAFTA.

Criticism was directed at this approach as well. Market-driven democracy has necessarily a short-term dimension. Business is interested in profit not promoting democratic values abroad. Institution building and issues related to the consolidation of democracy are inherently long term problems that can not be addressed through business Codes of Conduct. Be that as it may, such a policy may be congruent with the interests of the Canadians at large and, therefore, completely legitimate.

The role of **economic sanctions** was also addressed. However, the lack of consensus on this issue precluded any policy option. Grenier argued that by excluding countries from trade the venue of influencing them through economic fora disappears. Furthermore, the flow of ideas that may actually undermine an authoritarian system is foreclosed. Embargoes may just be effective only in extreme and special cases.

Tim Shaw pointed out that besides trade policy, **investment and taxation policies** can be also used to promote democratic values. Foreign investment can be streamlined on the basis of such criteria as company's adherence to Codes of Conduct or an environmental policy. Special tax breaks can be used to reward environmentally conscious companies. Nevertheless, Shaw also pointed out to the difficulties of implementing such economic policies.

Others argued that democratisation is impossible in the context of neo-liberal globalisation.

Other policy options ideas included:

- ➜ Taking advantage of already existing locally based programmes and upscaling them to municipal and district levels.
- ➜ **Education is an incredibly important component in the promotion of democratic values.** However, the fact that education in Canada is a provincial issue may pose difficulty for implementing any foreign education policy. Nevertheless, proposals included networking projects among Universities and common research or exchange programmes emphasising bringing Latin American students to Canada. Using the Canadian infrastructure, an information exchange zone could be established and contribute to mutual learning.
- ➜ The government should pay attention to smaller projects that are often more effective than mega-projects to which funding is currently streamlined.
- ➜ Attention should be paid to short term economic crisis management as well. Some participants believed that the instability of the contemporary monetary system requires contingency planning.

In conclusion, Canadian foreign policy should be consistent, closely tied to economic issues and reflect Latin American realities.

ROUNDTABLE ON THE AMERICAS

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July 9, 1999
Lord Nelson Hotel and Suites
Halifax

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ROUNDTABLE "DEMOCRATISATION IN THE AMERICAS"

AGENDA (UPDATED JULY 8)
July 9, 1999
The Lord Nelson Hotel and Suites
Conference room "6"
Halifax, Nova Scotia

8:30 Coffee, Donuts

9:00 Welcome: Tim Shaw, Director, Centre for Foreign Policy Studies, Dalhousie University

Opening remarks : Marketa Geisler for Steven Lee, National Director, Canadian Centre for Foreign Policy Development

Discussion overview: Dr Robert Finbow

Discussions Themes PART I

1. *Progress Towards Democracy*

2. *The Social Context of Democratization*

12:30 Lunch at Lord Nelson Hotel and Suites

1:30 **Discussion Themes PART II**

3. *Globalization and Democracy*

4. *Canadian Foreign Policy*

4:30 Closing Remarks

5:00 Cocktail (no host bar)