

*Building Democracy in a Globalizing World: an NIMD Perspective*  
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## **1. Introduction**

Building democracy or the support for democracy's development has become a contentious issue. This is partly so because support for democracy is badly understood, is badly misused, but is essential in a globalizing world.

Talking about democracy, I like to introduce myself as someone who has been working in democracy assistance for the last 25 years in various international and European positions. Coming from Europe, the history of my family has been closely associated with the struggle against Nazism and fascism during World War II, a struggle for democracy which became the foundation on which the European Union has been built.

A Union of 27 member states today and, as you know, 27 different political systems that resulted from historical processes within each of the EU Member states, but all democracies. Europe's violent past, its subsequent pluralist democratic evolution and the various peaceful revolutions from the 1974 Portuguese revolution of the Carnations to the Velvet revolution in 1989 in Czechoslovakia, is a rich resource and inspiration for providing support to those on the front-lines of democratic transformations elsewhere in the world.

In this introduction I like to share with you my perspectives on 3 questions in particular:

- 1) Why is democracy support so problematic and not (yet) core business within international relations?
- 2) How can democracy support be provided, experience of the Netherlands Institute for Multi-party Democracy (NIMD)
- 3) What are the challenges for democracy to cope with the current transformations taking place in our societies and within international relations

Each of these questions would warrant an introduction of its own, but today I like to take them together because providing assistance to democracy abroad is related to the need to invest in rules-based global governance that is democratically legitimized.

## **2. Arguments for and against democracy support**

The 2009 Presidential elections in Afghanistan had an outcome contrary to the stated objectives of the countries assisting Afghanistan. An analysis of the International Crisis Group, a leading international think-tank, came to the conclusion that "the elections and

their aftermath laid bare glaring flaws in the country's constitutional and electoral structure. Simply put, the Afghan government under the current framework no longer enjoys legitimacy in the eyes of most Afghans." Or in the words of an MP from Ghazni, a city in Afghanistan, "these elections have destroyed what little confidence the Afghan people had in democracy ... The Afghan government has destroyed democracy ... a lot of work will have to be done to restore the Afghan people's confidence, to convince them that power and influence and money are not the only things that make democracy. The political system itself is in need of fundamental reform."

## 2.1. Elections misused

Since the fall of the Berlin Wall and the end of the Cold War, now 20 years ago, elections have become the norm to legitimize governments, in democratizing countries and in authoritarian states alike. Whereas the later misuse the elections mainly for external purposes rather than gaining legitimacy from their citizens, electoral misconduct within democratizing countries is also rather common. You are all familiar with the power of incumbency to tilt the playing field to sitting presidents to be re-elected, or dominant political parties to remain dominant. Collier and Chauvet researched for the period 1975 – 2004 a total of 786 elections in 155 countries. Of all these elections, 41% are of bad quality and/or fraudulent and qualified as dirty elections, a substantial number. However, it means that 59% are qualified as clean elections.

Of the 558 elections in which incumbents stood, in 68% of these the incumbent won. It also showed that incumbents had a 81% chance of winning in dirty elections than in clean ones, 57%. In addition, based on statistical evidence, Collier found that a correlation exists between illicit tactics in conducting elections sharply reduce the incentives for the incumbent to attend to economic performance. Illicit tactics, dirty elections, are so attractive for incumbents, that they will be adopted unless there are restraints upon them. Ensuring a level playing field for elections, therefore, remains a key challenge for advancing democratic government.

Another aspect of organizing dirty elections is that it undermines people's expectations of democracy, that they give democracy a bad name. Elections are associated with democracy, whether they are clean or dirty. It is necessary that such expectations are put in perspective and people be informed that elections, although important for democracy, do not make democracy. Other research have established that alternation of power increases the confidence of voters in both winners and losers and hence in the democratic institutions.

## 2.2. Positive effect of elections

Research by Staffan Lindberg on elections in sub-Sahara Africa, where the majority of states have organized 3 to 4 cycles of elections since the early 1990s, show the reinforcing power of holding regular elections. The more elections have been held the greater the civic freedoms of the population and improvement of the quality of democracy. Obviously, with notable exceptions on this trend such as in Zimbabwe and Ethiopia where elections have been used to consolidate autocratic rule. It is important to understand the political and socioeconomic context in which elections are held in order to know if elections unfold in upward trends to democracy or downward trends.

The benign effects of the proper conduct of elections on good economic outcomes is demonstrated by Chavet and Collier. They have found that elections have structural effects, significantly improving the overall level of policies. However, this finding deviates in low income resource-rich countries in which rents (benefits) from resources for the elites – think about oil in Nigeria for example – increase the risks of dirty or fraudulent elections.

### 2.3. Electoral revolutions

In November 2009, we celebrated the 20<sup>th</sup> anniversary of that momentous fall of the Berlin Wall and the Velvet Revolution in Czechoslovakia. In fact, Velvet Revolutions, plural, because not only Czechoslovakia but also Poland, Hungary, the Baltic States transformed from autocratic communist rule into multiparty democracies. Since then we have seen a range of so-called colour revolutions in Georgia, Ukraine, Lebanon, Burma and most recently in Iran. Not all of them successful as you know. Timothy Garton Ash, the British historian and commentator, asked himself the question why we put an adjective in front of revolutions?

Putting these Velvet Revolutions in historical context, starting with the landmark 1974/1975 Revolution of the Carnations in Portugal - the beginning of the Third Wave of democracy in the world – through the ending of the Marcos regime in The Philippines, the Plebiscite in Chile in 1988 ending the dictatorship of General Pinochet, to the Velvet Revolutions in Europe, the landmark South African election in 1994 ending Apartheid, to the recent failed Green Revolution in Iran, he observed the contrast with the French revolution of 1789, the Russian revolution of 1917 and the Chinese revolution of 1949. These were violent revolutions in which one class of people overthrew the incumbent elites in the pursuit of utopian ideals. Their mode of operation was the guillotine and heads were rolling under the banner: the objective justifies the means. Revolutions are associated with violence, hence the need to qualify the electoral revolutions and to put adjectives in front of them.

In contrast, the Velvet Revolutions represent a totally different mode of operation, namely the round-table. These revolutions are pursued through dialogue, consensus seeking, negotiated regime change and social mobilization. The non-violent means used became the determining factor for the objective pursued. And the means used, the choice for non-violence appears to relate to broadly liberal democratic outcomes. This is the new-style of revolutions in which the elections have become a catalytic moment.

Timothy Garton Ash reminds us, that the characteristic of this new type of revolution often takes a long time to succeed. During this time opposition organizers, but also those in power, learn from their own mistakes and failures, as for example the case of Poland, Ukraine, Serbia, but also more recently Zimbabwe, Kenya and Honduras show. Again, it underlines the need to see elections in their historical contexts, as one step in a longer struggle to obtain or to establish pluriform democracy. Also, the movement towards such catalytic moments arise from the conditions and the actions of people in the countries concerned. Democracy grows from within. External assistance, if and when strategically applied, can make a positive difference, but it can never bring democracy from the outside.

This new-style revolution has taught me that each election needs to be considered within its proper context. Even a failed elections, is another step at the bumpy road either to a future Velvet Revolution (as for example in Zimbabwe, Burma, Kenya and Belarus) to the deepening of the democracy within the given country. And yes, the autocrats have learned their lessons as well and have become more adept in pre-empting transitions to democracy. But if we believe in the values of democracy, if we believe that these values are shared by people the world over, we cannot allow to become cynical while we should also become more strategic in delivering democracy support.

#### 2.4. Democracy is more than elections

It is beyond the scope of this introduction to elaborate the ways in which incumbents or ruling parties can be restrained in applying illicit tactics in organizing elections or what is necessary to level playing fields and how international assistance can be applied strategically. I want to underline that elections are an important event in a longer process of establishing checks and balances within societies, in building institutions and trust among the key adversaries in electoral competitions that make democracy and create the conditions for durable stability and socioeconomic development.

Yes, the spread of democracy has lost the momentum it gained in the 1990s. Autocratic leaders such as Putin in Russia, Mugabe in Zimbabwe and Chavez in Venezuela, are much more adept in staging fraudulent elections. They also learned lessons. At the same time, the financial crises, the energy crises, the threat of global warming and the new emerging multi-polar world, appear to result in a new trend to focus on stability and leave democracy for another day. I understand the daunting challenges for policy makers but giving up on democracy is ill-informed and will be done at our own peril.

There is no easy template how these processes can be supported from the outside and we need to learn from the failed attempts and to improve our approaches to answer those we believe that in today's complex multi-polar world international cooperation the overriding concern should be on providing stability leaving democracy for a later day. This may be understandable from the point of view the daunting challenges caused by the financial crises and the threat of global warming, it is ill-informed if democracy is left out of the equation because it is the only governing system that respects the dignity of people. It allows people to spend their energies for development rather than fighting each other. With a planet under increasing environmental stress, democracy is not a luxury but a necessary condition for managing the planets resources responsibly.

### 3. Building democracy, the NIMD experience

The Netherlands Institute for Multiparty Democracy (NIMD) became operational eight years ago. It was established by seven political parties, all represented in the Dutch parliament. Despite their very different political and ideological perspectives these parties decided to work together to assist political parties in various continents in their efforts to improve the quality of their respective democratic systems. The Netherlands Ministry of Foreign Affairs provides most of the funds for the NIMD's programmes but the organisation is explicitly not an implementing agency for the Dutch government. The Institute's Board is composed of representatives of the member parties and its president Dr

Bernard Bot, who is not representing any of the political parties, is a former Minister of Foreign Affairs.

How have some of the above mentioned lessons been translated in the approach of the Netherlands Institute for Multiparty Democracy (NIMD) towards democracy building?

- Local ownership of the agenda and process is essential: democracy has to develop from within and not without;
- Democracy develops through dialogue: emphasis needs to be put on facilitating inclusive dialogue between antagonists;
- Democracy is more than competition, it is also the practice of accommodation of conflicts of interest and reconciliation: democratic culture requires solving conflicts peacefully and looking for solutions that obtain legitimacy in the eyes of the citizens;
- Dialogue should result in agendas for needed political reforms: these agendas are the compass for the international community to provide support;
- Democracy is not instant coffee, it takes time. Madeleine Allbright: democracies develop gradually although not glacially.
- Missing link in international assistance: political parties, the least popular institutions, yet crucial to make democracy work.

NIMD applies these lessons in 17 countries today at the various continents. Allow me to sketch the way in which this was done in some of these countries:

- The case of Ghana

These days Ghana is often depicted as a well-established democracy characterised by harmonious relations between political parties. The peaceful transfer of power following the December 2008 general elections, the second time in Ghana's return to multi-party democracy, is indeed a positive example for other African countries. The establishment of an inter-party platform by the political parties of Ghana to take joint responsibility for improving the performance of their democracy and their political parties, facilitated and supported by NIMD, has become an important agent for change in Ghana. The inter-party platform is managed by a prominent Ghanaian NGO, the Institute of Economic Affairs, and ensures a continued dialogue among the political leaders at the highest level.

The case of Ghana is of special importance given the preparation and adoption of the so-called Democratic Consolidation Strategy Paper (DCSP). This document presents the way in which Ghanaians want to continue the democratisation process that they have started with great enthusiasm. Political parties have agreed to move ahead. The DCSP was not a requirement of the donor community but it shows that politicians in Ghana know that democratisation is not finished but it is rather an ongoing process.

- The case of Bolivia

Latin America experienced a wave of democratisation in the 1980s and 1990s. While many countries continue to look for ways to consolidate their democratic systems most of them have made very significant progress, including Bolivia. This country has

experienced tense periods during which the threat of civil war was tangible. After consulting with Bolivian political parties NIMD supported the establishment of the Bolivian Foundation for Multiparty Democracy (FUBODEM). In the past years this foundation has played a key role in the dialogues between political parties in government and in the opposition, contributing to breaking political deadlocks and preventing a return to violent confrontations..

Following the general elections of last weekend, there is a huge parliamentary agenda ahead to take the provisions of the new Constitutions into legislation. The inclusion of the indigenous population in the political process has been a huge historical breakthrough. At the same time, the autonomy issues remains a main challenge to resolve. The challenge is now to build new balances between the center and the regions in Bolivia and, secondly, to nurture a new political party system that includes elements of deliberative democracy with forms of direct democracy. It is uncharted terrain that requires continued dialogue by Bolivians to find appropriate solutions.

- The case of Indonesia

Indonesia has recently completed its third general election since the return to democracy in 1997/98. The transition to democracy has unfolded largely successfully during the past 10 years and Indonesia has become the 3<sup>rd</sup> largest democracy in the world with a 90% Muslim population. NIMD has assisted with the establishment of democracy schools at the local level throughout the vast archipelago, to offer local leaders after 40 years of dictatorship the possibility to learn using the instruments democracy offers to address injustices and community concerns peacefully. It offers a bridge between civil and political society, preparing local leaders for democratic leadership positions. The Indonesian organisation KID (Komunitas Indonesia untuk Demokrasi) has become quite successful in implementing this programme of democracy schools.

The programme has also attracted the attention of the 7 major political parties in Indonesia which have since established a platform amongst themselves for regular political consultations. The platform is moderated by KID and supported by NIMD. Again, this platform is discussing contentious issues relating to the deepening of democracy in Indonesia and aims at finding options for solutions for these issues.

Local ownership of political reform agendas is obtained through Centers for Multiparty Democracy (CMDs), novel institutions which are institutionalizing the dialogue between the political parties in government and in opposition. These CMDs have become the core element of NIMD's approach. To a certain degree they have become the local drivers of change and the liaisons between civil society organizations and the political elites. In most cases, CMDs work closely with the national Electoral Commissions and have become domestic agencies to find political agreement about electoral and constitutional reforms.

You may wonder what the added value is of a CMD. Should political parties not use parliament as the context of their dialogues? Of course they should and the powers of many legislatures should be strengthened relative to the Executives. However, experience shows that in many countries such debates are locked into entrenched positions. In countries in which the process of state- and nation-building has not been completed (if this ever can be

the case?), polarization can easily spill-over in conflicts that are difficult to contain. Many electoral systems are designed on a winner-takes-all basis providing incentives for competition but lacking the instruments to seek accommodation and reconciliation for existing conflicts of interests. Yes, the rationale of political parties is to compete for support for different ideas and policy options. But political parties have a joined responsibility to ensure that the political system as a whole performs well. And that is not the case in most if not all countries. It has resulted in countries returning to the design table to review their constitutions and their electoral systems. CMDs have become institutions that offer political parties to find consensus about the peaceful management of these processes and to look for constructive engagement with the wider civil society and media on these very formative reforms, reforms that renew the contract between citizens and their state. These CMDs also offer the opportunity for other international partners to align their democracy support on these locally driven reform agendas.

Is the Netherlands the only European country in which an institution is found that supports democratic development elsewhere through political parties? Fortunately that is not the case. Many European countries are looking for ways to strengthen democracies elsewhere. A new independent European foundation, the European Partnership for Democracy (EPD) was launched last year by former President Vaclav Havel of the Czech republic and President Barroso to enhance the operational capacity within Europe to deliver democracy support. With the focus on the new EU Lisbon Treaty in force since December 1<sup>st</sup> 2009, putting the EU on a new footing, little attention has been given to a decision by the EU in late November 2009 to accept its first policy framework on Democracy Support in the EU's External Relations, an Agenda for Action. It provides a vision on how the EU is supporting democracy in its partner countries and promises to integrate it better in the other EU foreign policy objectives.

#### **4. Global transformation and democracy**

Turning from supporting democracy at the national levels, I like to expand the perspective to the global level in the last part of this introduction. We are living in a volatile transformative time. A world quite different from the 1990s, an era overoptimistically labelled 'the end of history' by Francis Fukuyama. It was a time of extraordinary growth and optimism how the world was shaping up. Today, we face the first truly global crises, the crises of the financial markets with the subsequent economic recession. A global crises for which we face without the proper governance instruments. The same is true for the threat of global warming, the subject of the Copenhagen Conference that took place late last year.

That conference discussed measures that are urgently needed to stop global warming not to rise beyond 2 degrees by 2050. Yet, scientist who monitor the global warming are very nervous and find this target is far too little, expecting temperatures to rise by 6 degrees. The nervousness is not only related to global warming but to the deterioration of the ecosystems on which our planet functions and provide the oxygen to breathe.

Taking together the climate crises, the crises of the financial system, the expected growth of inequality in the world, and the increase of the bottom billion poor in the world to 2,3 billion by 2025, it projects the challenges our democracies have to address while reinforcing

democratic governance itself under these pressures. Indeed, there is no time for complacency.

We are no longer talking about crises of unrelated subjects, we are talking about a more fundamental, systemic crisis. It can not be solved unless we address the underlying causes. These have much to do with how we live and how we consume, how we undervalue treasuring the planets resources. Currently, we consume 1,3x what our planet can sustainable produce. It requires a new economic calculus to price the impact on nature on what we consume, perhaps a full new orientation on the relationship between men and nature.

When the challenges we are confronted with, are indeed interrelated and interconnected, are truly global crises, what test does this pose for democracy and rules-based international governance? How can democracy deal with these challenges? Societies collapsed in the past not because they did not see the problems coming, but they failed to take timely action.

Are our democracies sufficiently equipped, do we have the necessary global institutions, to timely deal with these challenges? While we are engaged in supporting the development of democracy elsewhere in the world, we cannot afford not to address these questions closer to home as well. A new agenda that requires out-of-the-box thinking to find answers.

The G20 has emerged, by default and not design, as the new platform to deal with the financial crises and to introduce new international regulation of the financial markets to avert future collapses. A new balance will need to be found between markets and politics, or put differently, between state capitalism and market capitalism. A new ethics in which - to quote President Obama speaking at Wall street voicing the concerns of Main street - not risk-taking is rewarded but responsible and durable investment is rewarded.

New initiatives are necessary because of the emergence of new and strong economies such as China, India and Brazil is also the beginning of a long, complex and dangerous process of reconfiguration of geo-political relations. In the past this would be settled through confrontation. Now we don't have a choice but to dialogue and negotiate multilaterally. How do we share power between nations, regions, within the world and how does that deliver the global common goods to address the manifold crises?

The current weak multi-lateral system needs to be renovated into a functional system that can act to address the global concerns. Governments will need to convince their national electorates that today's crises can only be resolved through global decision-making.

But how can governments overcome the paradox in our democracies that electorates lack incentives to reward governments that tackle the problems whose impact shall only be felt by future generations? Who can we keep accountable for taking or failing to take the necessary global responses? If we do not address these issues, and there exists skepticism that democracy can live up to this task, technocratic solutions in the 'big brother' information network-society may lead to autocratic rule. Those in the democracy community need to engage to shape new democratically legitimized rules-based global

governance institutions that give voice to the citizens. Hence, there is work to be done within our own societies as well.

Thank you for the opportunity to share my experience and thinking with you on what I consider to be the main challenge of our time, making democracy perform better, both nationally and internationally, in delivering the common good.

The Hague, July 2010