

***LAC/DI***  
***Action Plan***

***FY 1994 - FY 1995***

***May 1993***

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## LAC/DI FY 94-95 ACTION PLAN

### I. OVERVIEW

Democracy gained ground slightly in LAC during the past year, as measured by the Freedom House annual survey. Gains were made in five countries with a total population of 91.8 million; deterioration occurred in six countries with a total population of 87.6 million. The deterioration occurred in several large and medium sized countries (Argentina, Peru, Venezuela, Guatemala, Nicaragua, and Panama), whereas the gaining countries were all small and medium-sized (El Salvador, Guyana, Suriname, the Bahamas) except for Mexico, which with its population of 85 million people tipped the overall balance favorably. Haiti and Cuba may be on the verge of significant improvements, but were unchanged as this is written (April 1993). One very important positive development not reflected in the ratings was Brazil's ability to successfully impeach its President for corruption through constitutional procedures. See the attached Annex A for further detail on country changes. Also attached (Annex B) is an article by Douglas Payne of Freedom House summing up the changes in the region as he perceives them during the past year. Progress is holding, but there is rising discontent in a number of key countries with the perceived corruption and incompetence of government, and continued fragility in Central America particularly.

Beneath the surface of the changes captured in Freedom House's ratings, however, quiet progress is being made in strengthening democratic institutions and knowledge, values and skills. Each year that passes without major reversals is another year of time bought to bring about the slow institutional and cultural changes that are needed for democratic consolidation. Our programs are contributing to these changes in a variety of ways outlined below.

### II. STATUS OF STRATEGIC OBJECTIVES

#### A. Refinements or Changes in Objectives and/or Outputs

There have been no changes of consequence in LAC/DI's objectives or outputs during the past year. See Annex C for a one-page summary of these.

#### B. Strategic Objective Performance

This section provides a narrative supplement to Table I.

### The Administration of Justice Program

The centerpiece of the LAC Bureau AOJ program is the AOJ Technical Support Project carried out by the National Center for State Courts (NCSC). This program has evolved into a mechanism to support access and availability of new AOJ materials and ideas to the field through an innovative schedule of conferences and workshops in the region for Latin American judicial reformers. Activities planned for the year include sub-regional conferences on delay reduction and judicial statistics. This latter conference intends to develop a framework for supporting performance standards in judicial systems through measurable indicators. Other topics include Appellate Court Management, Alternative Dispute Resolution and an important international event to discuss the future of judicial reform in Latin America with key US and Latin American experts. Over the year, consultants from the National Center for State Courts have assisted USAID missions in Peru, Nicaragua, Jamaica, and even the INM Unit in US Embassy Bahamas in the design and/or evaluation of AOJ programs. The National Center for State Courts has bridged the gap from an entity with solely a US base of experience to one with practical and performance-based experience in Latin America. Additional highlights include the publication of the first newsletter dedicated to information dissemination on AOJ issues in Latin America. We are also supporting a publication of the International Association of Women Judges, a growing movement and voice for active reformers throughout Latin America. A new program with the National Institute for Citizen Education in the Law (NICEL) is designed to develop and test methodologies for providing public legal education in three Latin American countries. The program is just underway in Bolivia and Ecuador with a third site yet to be determined. The program has already made progress in setting up contacts with NGOs that will implement the legal assistance programs.

A number of early programs in support of AOJ are ending this FY, including the Cooperative Agreement with Florida International University. This program ends on a high note with several new publications such as a compendium of criminal procedure codes in effect throughout the region; a compilation of papers on the status of women in the judiciary and the proceedings of the International Conference of Women Judges; and a concise and practical handbook on Latin American Legal Systems, in English and Spanish. The regional program with ILANUD is also nearing completion. ILANUD, beset by numerous management problems identified by AID, is making progress in focusing its program on specific targets, increasing support from other donors and rationalizing its management structure. Future AID support will be conditioned on further management reforms as identified by the Board of Directors, including the search for a new Executive

Director and more professional, regionally based staff. The grant with the InterAmerican Bar Foundation (IABF) also ends this Fiscal Year. This program has successfully supported the involvement of regional bar associations in the administration of justice reform program throughout the hemisphere. It has successfully encouraged the bars to be more responsive to the needs of its members and the citizens and to take a more active role in public affairs that concern the rule of law. In particular, in Central America, the IABF programs have assisted legal professionals in alternate dispute resolution mechanisms and arbitration programs. In the Andean region, IABF has promoted dialogues with bar members on constitutional reforms, revisions of judicial codes and judicial career legislation.

#### Legal/Regulatory/Judicial Issues

In coordination with the Inter-American Development Bank the DI office provided support to the bank's office of general counsel in preparation for a regional conference on the changing judicial assistance needs in the region, held in San Jose, Costa Rica, in February, 1992. This cooperative effort, which included the participation of many A.I.D. grantees and missions, marks the beginning of greater donor coordination in this area.

The DI office also convened a meeting of specialists from the private sector and the World Bank to explore the state of research and practice in the field of legal regulatory reform. In this respect, the DI office, in conjunction with the TI Office will continue the important coordinating effort on projects in this area, especially as these projects relate to our regional Administration of Justice Programs.

#### Human Rights

LAC continues its support of the Inter-American Institute of Human Rights (IIDH). IIDH has made promotion of human rights more than an ideology. It has created the practical mechanisms through seminars, training programs and activities with governments and NGOs about human rights as part of a broader component of democratic governance.

In the last year the Institute conducted its 10th human rights training program, bringing together more than 125 individuals from the hemisphere to study the practice of human rights. Over 1000 persons applied for the course, more than double the applications from the previous year. The course maintains high academic standards and has had an important impact on the development of local and regional Human Rights networks. It also conducted specialized seminars on various aspects in

human rights, including refugee rights, gender related rights, and indigenous rights.

IIDH also conducts other types of human rights education activities in the region. This past year IIDH conducted assessments of school curricula in Guatemala, El Salvador, Nicaragua, Colombia, Bolivia, Argentina, Brazil and Paraguay. In El Salvador, IIDH worked with the Ministry of Education to revitalize its civic education program, targeted at teenagers in the formal education system. Evaluations were also performed for the governments of Honduras and Panama during early 1993.

IIDH continues to develop and distribute educational material on human rights. Most recently IIDH executed a joint agreement with Amnesty International to prepare teaching resources on Human rights.

The IIDH focussed on gender issues in 1992 as a vital component of all its programming. In particular, the work done with refugee women was significant. Working in Costa Rica with refugee women, IIDH has begun research on human rights violations against women in the region. In conjunction with UNHCR, IIDH is designing a module on women to provide assistance to refugee, displaced and repatriated women in the Central American region.

#### Electoral Process

During 1992 IIDH/CAPEL remained a vital source of electoral assistance in the region. Two major projects, in Panama and Ecuador, are currently being staffed by CAPEL. The Panama project includes a multi-phase technical assistance program and civic-education campaign including the development of pollworker training courses, logistics and computerized data bases. In Ecuador, CAPEL provided technical assistance for the presidential elections, the first round of which was held in May of 1992 and the run-off was held in July of 1992. CAPEL is currently assisting the electoral council in Bolivia as preparations for the June 1993 elections take place.

IIDH/CAPEL has also been the guiding force in efforts to improve the professionalization of election managers. Through the Tikal and Quito Protocols, CAPEL has established a process by which election officials may gain better understanding or responsibilities while simultaneously creating informal networks of communication in the hemisphere on electoral reform.

Education on elections will also be featured in the fall of 1993 when CAPEL resumes its training program on elections. This training program will be open to election officials and NGOs from around the hemisphere.

Support for an election observation mission provided by the Organization of American States for the November, 1992 was part an effort by A.I.D. to coordinate efforts to restore a freely elected constituent assembly to Peru. The DI Office has continued to provide support to the NGO community, including a grant to the National Democratic Institute, to provide election observers and poll watcher training for the Paraguayan presidential elections, scheduled for May, 1993. Finally, an evaluation of all electoral activities is being planned in 1993 to determine the types of assistance, the nature of grants and the effectiveness of assistance delivery in support of improved citizen participation.

A.I.D. assistance helped bring about a free and fair presidential election in Guyana on October 5, 1992, after a year and a half of politically motivated, then technical delays. With A.I.D. support, the International Foundation for Electoral Support (IFES) was able to provide long-term, hands-on technical assistance to the Elections Commission to address the myriad technical problems in the voter registration and districting processes. Also with A.I.D. support, the Center for Freely Elected Heads of Government (Carter Center of Emory University) was able to focus and maintain international interest on the election, promote peaceful resolution of conflict, monitor the elections and facilitate an orderly transfer of power.

#### Financial Management

As a result of LAC's Financial Management Improvement Project, a consensus in the hemisphere is being reached on a new strategy for financial management reform, and technical know-how on putting reforms into place and fighting corruption has been provided. Under this project, thirty-one conferences have been supported at which over 5,000 financial managers have participated. In February, 1992, the Second Interamerican Conference of the Problems of Fraud and Corruption in Government. (RESPONDAON) was held as a teleconference uplinked via INTELSAT from studios in Miami to an audience estimated at over 10,000 people. Three national presidents made presentations along with 18 other speakers. Individual country session conclusions and recommendations were compiled. The project has added momentum to the wave of demand throughout the region for an end to waste and corruption in government.

#### Improved Civil-Military Relations

LAC/DI considers this an important, yet often ignored, area for the consolidation of democracy in Latin America in the 1990s. If democracy is to flourish, militaries must be supportive of the rule of law and constitutional government and civilians must be

knowledgeable of national security issues including military budgets and oversight of the military. The American University has contributed greatly to the knowledge base in the region through scholarship, exchange, dialogue and networking with prominent Latin American experts, both civilian and military. It continues to sponsor events and to publish current, thoughtful works on the subject matter as well as to respond to specific requests such as assisting with the establishment of the Strategic Studies Center for National Security (ESTNA) in Guatemala. A second volume of studies, funded under the AID grant, will soon be published, tentatively titled "Civil-Military Relations in the Year 2000." This work examines the consolidation of democracy and the importance of civilian-military relations in the post-cold war period. In April 1992, an important regional conference was sponsored in Paraguay for civilian political leaders to examine, in a regional context, the meaning of civil-military relations; this was followed by a special program at the War College that examined the geopolitical implications for civil-military relations. The conference specifically targeted Paraguay for discussion and resolution of key questions to strengthen democracy and support civilian government after 30 years of military rule. Another conference was co-sponsored in October 1992 on the lessons of democracy in Venezuela with a focus on civil-military relations in the wake of the attempted coups in that country. The conference proceedings were published by the Wilson Center and a book of collected essays, the first new work on Venezuela, is planned for the fall of 1993. To follow up on situations in important countries, the project sponsored a visit to Guatemala and El Salvador to assess the need for consensus building in support of the recent peace accords in the case of El Salvador and the climate for dialogue on civil-military relations in Guatemala.

A follow-on proposal from American University is being reviewed to continue support for this important subject in more concrete and objectively verifiable means such as training and technical consultancies as well as research and dialogue. Unfortunately, an adverse legal opinion has delayed approval of this project.

### Legislatures

LAC/DI began working with Latin American legislatures in 1989 in Chile, followed by a separate project in 1990 targeted mainly in Central America. The purpose of these efforts are to enhance the capacity of Latin American legislatures, to improve the accountability and responsiveness of government and to check unrestrained executive power. After three years of experience, we are just beginning to compile evaluation materials that will

help determine how we might best address information, technical, administrative and public relations needs of the legislatures on a regional basis.

The Regional Legislative Development project, being implemented by the Consortium for Legislative Development (CLD), has provided an important beginning by raising the consciousness of the governments in Central America and the Caribbean about the critical role of the legislature in the democratic process and of the functions of legislators and staff. In addition, the Consortium's support for the Association of Central American Legislative Technicians (ATELCA) has improved ATELCA's potential to serve as a vehicle for future legislative strengthening activities.

Having completed most activities called for in the grant, such as assessments of training and other institutional needs of legislatures in Nicaragua, Guatemala, Haiti, Panama, Costa Rica and the Dominican Republic, the Consortium is concentrating its efforts on buy-in or bilateral projects in Costa Rica, Nicaragua and Panama. The Consortium also is completing a number of publications and is providing graduate level training to four participants at University of Albany/SUNY and Florida International University.

A recent mid-term evaluation revealed that the absence of an overall strategic plan, compounded by internal conflict within the Consortium and communication problems between the Consortium and A.I.D., have hampered project implementation. The Consortium is in the process of revising its program and budget, shifting its resources from regional conferences to support for ATELCA and graduate level training and internships in the United States.

It will probably take considerable additional time before Latin American legislators and executives fully accept the legislature's role as a law-formulating and oversight body. A follow-on project is being proposed (see NPD below) to assist this process.

### Free Media

Five years ago, journalism in Central America was an ethical and professional wasteland. A 1986-87 regional assessment found widespread corruption and a low level of competence among journalists. Now, under the guidance of the Central American Journalism project, news media managers have drafted a regional code of ethics, the first voluntary regional code of ethics in Central American journalism history. In a public opinion survey following completion of a special one-year in-country program for

Panamanian journalists, 75% of Panamanians think their news media are more relevant, better balanced, more professional and more influential than they did when the training program began. Some 1,178 media professionals -- or 39 percent -- have participated in project activities, including 944 in seminars and 234 in round table discussions.

Of the first group of 14 candidates for the Master's degree program, 11 will graduate in May 1993. A second group of 11 will graduate in 1994. A professional certificate program will begin this summer to reach journalists who do not meet the Master's entrance requirements.

Owners of news media in Central America have pledged more than \$500,000 toward a permanent endowment for a Central American journalism training center and expect to raise \$1.5 million by late 1993. Media owners in Panama, where the center will be located, guaranteed to pay \$7,000 a month toward site rental.

Other accomplishments include publication of the 1993 Media Directory, establishment of a journalism library, publication of the first two textbooks in Fall 1993, and publication of PULSO magazine and a monthly alumni newsletter, Tomando el pulso.

#### Free Labor Development

To promote free, democratically oriented labor unions, LAC/DI supports the activities of the American Institute for Free Labor Development (AIFLD) and certain AFL/CIO unions. AIFLD provides technical assistance and training focused on free trade union development, improved labor-management relations, worker rights, the increase of the role of women in democratic labor unions, and the role of labor in economic restructuring programs. As a result of AIFLD activities, there has been an improvement in union leadership in the Dominican Republic and in Honduras, increased union stature in the Dominican Republic and in Paraguay, a unification of labor movements in Argentina, Brazil, Chile, and Paraguay, improved labor management relations in Guatemala, Chile, the Dominican Republic, and Panama, and strengthened democratic elements within unions in Bolivia and Chile. Over the years, AIFLD-supported unions have often been in the vanguard of democratic movements, and have helped train and develop national as well as labor leaders for these struggles.

A five year follow-on project to support AIFLD will begin June 30, 1993. Under this program, education in issues related to the structural adjustment and regional integration processes is being emphasized, while rural and social development projects are being de-emphasized. The program is being reduced by 5% per year

during the five year period, and emphasis is being put on improved dues-paying performance by LAC unions.

AID/LAC is currently preparing a labor development strategy to guide programming in this area for the next few years, taking into account changes from the Cold War era to an era of global economic competition. See the NPD below proposing a new Free Labor Development Project that would complement the AIFLD program.

#### Community/Civic Education

We plan to authorize a grant to the Partners of the Americas and Conciencia, an Argentine civic education organization, in May 1993, to enable them to strengthen civic organizations throughout the region that are working to promote democratic knowledge, values and skills.

#### Democratic Culture

A new FY 1995 project, Education for Democratic Values and Leadership, is proposed to strengthen formal civic education efforts in the region, provide in-region democratic leadership training, and provide family education in democratic parenting and spousal/partner relationship.

TABLE 1: STRATEGIC OBJECTIVE PERFORMANCE

STRATEGIC OBJECTIVE NO. 1 Strengthened competent civilian government institutions				
Indicator: Increased public confidence in government performance				
Unit: public opinion polls		Year	Planned	Actual
Source: USIA; other polls	Baseline		-----	
Comments: Arrangements will be made to access existing USIA survey data both regionally and country specific		1992	-	
		1993	-	
		1994	1	
		1995	1	
		1996	1	
	Target	1997	1	
		Year	Planned	Actual
STRATEGIC OBJECTIVE NO. 1 Strengthened competent civilian government institutions				
PROGRAM OUTPUT NO. 1.1 Free, fair, open elections				
Indicator: 1.1 Elections verified by international/local observers and/or results accepted by political parties				
Unit: Election				
Source: Observer reports; press; Embassy reports	Baseline		-----	
Comments: LAC/DI would report elections in which we provide direct electoral support; Missions would report bilaterally assisted electoral activities.		1992		4
		1993	4	
		1994	3	
		1995	3	
		1996	3	
	Target	1997	3	

**STRATEGIC OBJECTIVE NO. 1 Strengthened competent civilian government institutions**

**PROGRAM OUTPUT NO. 1.2 Methodologies for Judicial Reforms Introduced**

**Indicator: Research and pilot activities initiated**

Unit: TSOs		Year	Planned	Actual
Source: Contractor/Grantee	Baseline		-----	
Comments: Conferences (4), pilot activities (Nicel plus one new in each year) and publications		1992		
		1993	11	
		1994	9	
		1995	9	
		1996	9	
	Target	1997	9	

**Indicator: Increased exposure to judicial reform concepts, skills, methodologies**

Unit: No. of persons trained		Year	Planned	Actual
Source: Contract/grantee	Baseline		-----	
Comments: NCSC, NICEL, IABF, IIDH, CAJP		1992		
		1993	250	
		1994	250	
		1995	250	
		1996	250	
	Target	1997		

**STRATEGIC OBJECTIVE NO. 1 Strengthened competent civilian institutions**

**PROGRAM OUTPUT NO. 1.3 Modalities for enhancing legislative capacity supported**

**Indicator: ATELCA operational and self-sufficient**

Unit: Meetings		Year	Planned	Actual
Source: 1. Grantee reports indicating No. of meetings sponsored & source of funding 2. External evaluation in 1996	Baseline		-----	
		1992		2
Comments: ATELCA is in the process of developing a workplan and agenda, which will provide the planned levels of mtgs.		1993	2	
		1994	2	
		1995		
		1996		
	Target	1997		

**STRATEGIC OBJECTIVE NO. 1: Strengthened competent civilian government institutions**

**PROGRAM OUTPUT NO. 1.4 Government accountability and financial management strategy expanded in LAC countries**

**Indicator: No. of Countries having adopted STRATAC**

Unit: Country		Year	Planned	Actual
Source: Contractor	Baseline		-----	
		1992		
Comments: The definitions of adapting STRATAC in LAC countries will be on of the first activities to be after contractor selection process completed. Right now, this indicator is defined as : country that has an approved, comprehensive public sector management reform law.		1993		
		1994	2	
		1995	2	
		1996	3	
	Target	1997	3	

**STRATEGIC OBJECTIVE NO. 1: Strengthened competent civilian government institutions**

**PROGRAM OUTPUT NO. 1.5 Enhanced public official comprehension of internationally recognized human rights**

**Indicator: Expanded network of trained official advocates of human rights**

Unit: Conference Participants		Year	Planned	Actual
Source: Grantee Reports	Baseline		-----	
Comments: Data will be disaggregated by gender; targets includes IIDH Annual Human Rights Course, CAPEL's biannual Electoral Training Program, and other various training courses.		1992		124
		1993	250	
		1994	150	
		1995	300	
		1996	150	
	Target	1997	300	

**Indicator: Increased availability of human rights-related research and materials**

Unit: publications		Year	Planned	Actual
Source: Grantee Reports	Baseline		-----	
Comments: IIDH and CAPEL: monthly newsletter, 2 Quarterly Journals, Special Monographs. Will also attempt to track distribution of materials		1992		
		1993	30	
		1994	35	
		1995	35	
		1996	40	
	Target	1997	40	

**PROGRAM OUTPUT NO. 1.6 Improved civil-military relations**

<b>Unit:</b>		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source:</b>	<b>Baseline</b>		-----	
<b>Comments: To Be Determined (project being designed)</b>		1992		
		1993		
		1994		
		1995		
		1996		
	<b>Target</b>	1997		

**PROGRAM OUTPUT NO. 1.7: Strengthened local governments**

<b>Comments: To be measured/reported by RHUDO</b>		1993		
		1994		
		1995		
		1996		
	<b>Target</b>	1997		

**STRATEGIC OBJECTIVE NO. 2 Democratic Values and Pluralism Enhanced**

**PROGRAM OUTPUT NO. 2.1 Improved citizen awareness of democratic rights**

**Indicator: Increased participation in election process**

**Unit: Election Results**

**Source: Grantees (Election Commissions)**

**Comments:** Election results will be analyzed in accordance to the following criteria: Is voting mandatory? Comparison of voter turnout overtime; percentage participation of females/ethnic groups overtime.

	Year	Planned	Actual
Baseline		-----	
	1992		
	1993	4	
	1994	3	
	1995	3	
	1996	3	
Target	1997	3	

**PROGRAM OUTPUT NO. 2.2 Expansion of civil society**

**Indicator: Number of civic organizations receiving assistance**

**Unit: Civic Organizations**

**Source: Grantee/Contractor reports**

**Comments:** Expanding network of national level NGOs to both local level affiliates and replication to other countries in the region. Program output indicator does not necessarily anticipate under new NGOs.

	Year	Planned	Actual
Baseline		-----	
	1992		
	1993	4	
	1994	4	
	1995	4	
	1996	4	
Target	1997		

<b>STRATEGIC OBJECTIVE NO. 2 Democratic Values and Pluralism Enhanced</b>				
<b>PROGRAM OUTPUT NO. 2.3 Responsible, professional media</b>				
<b>Indicator: Improved perception of media by public</b>				
<b>Unit: Public opinion polls</b>		<b>Year</b>	<b>Planned</b>	<b>Actual</b>
<b>Source: Grantee</b>	<b>Baseline</b>		-----	
<b>Comments: gender disaggregated by country</b>		1992		
		1993	2	
		1994	1	
		1995	1	
		1996	1	

**TABLE 2: STRATEGIC OBJECTIVE PROGRAM "TREE"**

<b>LAC Regional</b>
<b>Bureau Objective: Support the evolution of stable, participatory democracies</b>
<b>Bureau Sub-objective:</b>
<b>STRATEGIC OBJECTIVE NO. 1 Strengthened competent civilian government institutions</b>

<b>PROGRAM OUTPUT NO. 1.1 Free, fair and open elections</b>	<b>PROGRAM OUTPUT NO. 1.2 Methodologies for Judicial Reforms introduced</b>	<b>PROGRAM OUTPUT NO. 1.3 Modalities for enhancing legislative capacity supported</b>
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<b>Projects (Number\Title)</b>	<b>Projects (Number\Title)</b>	<b>Projects (Number\Title)</b>
598-0591 Human Rights Initiatives (CAPEL)	598-0642 Regional AOJ (ILANUD)	598-0669 AOJ Support (NCSC)
598-0591 Human Rights Initiatives (NDI)	598-0642 Regional AOJ (NICEL)	598-0770 Regional Legislative Mgmt.
598-0591 Human Rights Initiatives (IRI)	598-0642 Regional AOJ (FIU)	
598-0591 Human Rights Initiatives (Other 0591)	598-0642 Regional AOJ (IABF)	

<b>PROGRAM OUTPUT NO. 1.4 Government accountability and financial management strategy expanded in LAC countries</b>	<b>PROGRAM OUTPUT NO. 1.5 Enhanced public official comprehension of internationally recognized human rights</b>	<b>PROGRAM OUTPUT NO. 1.6 Improved civil-military relations</b>
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<b>Projects (Number\Title)</b>	<b>Projects (Number\Title)</b>	<b>Projects (Number\Title)</b>
598-0800 Accountability & Financial Management	598-0591 Human Rights Initiatives IIDH/CAPEL	598-0803 Civil Military Relations II

**PROGRAM OUTPUT NO.  
1.7 Strengthened Local  
Governments**

**Projects (Number\Title)  
598-0799 Local Municipal  
Government**

**LAC Regional**

**Bureau Objective: Support the evolution of stable, participatory democracies**

**Bureau Sub-objective:**

**STRATEGIC OBJECTIVE NO. 2 Democratic Values and Pluralism Enhanced**

<b>PROGRAM OUTPUT NO. 2.1 Improved citizen awareness of democratic rights</b>	<b>PROGRAM OUTPUT NO. 2.2 Expansion of civil society</b>	<b>PROGRAM OUTPUT NO. 2.3 Responsible, professional media</b>
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<b>Projects (Number\Title)</b>	<b>Projects (Number\Title)</b>	<b>Projects (Number\Title)</b>
<b>598-0813 Partners of the Americas 598-0796 PARTICPA</b>	<b>598-0800 AIFLD 598-0813 Partners of the Americas 598-0796 PARTICPA</b>	<b>598-0802 Central American Journalism Project</b>

C. Monitoring and Evaluation Status and Plans

LAC/DI has been tasked by AA/LAC Michel with developing six to eight intermediate-level indicators that can be used to measure democratic progress in the region: less macro-level than the overall numerical Freedom House country rating, but of a higher level than the indicators associated with the LAC/DI regional portfolio. Possible indicators under consideration include:

- efficiency of judicial activity;
- percentage of elections that are free and fair;
- frequency of military coup attempts, and percentage that are successful;
- per capita number of human rights violations.

There are numerous methodological problems with these and other possible indicators, including especially the lack of past data for time series (neither Freedom House nor the survey's originator, Raymond Gastil, have kept worksheets for the 23-25 indicators they used in creating country ratings). LAC/DI will nevertheless try to come up with something useful during the coming year.

In regard to project-level evaluations, only one is planned during the coming year: a mid-grant evaluation of IIDH/CAPEL in the second quarter of FY 94. Evaluations of the Legislative Strengthening project, the AIFLD program, and the Financial Management Improvement project were carried out during the past year.

### III. Portfolio Analysis: Status of Portfolio

#### A. New Project Descriptions

Three new projects are proposed --all as shelf projects because of budget constraints-- one in FY 94, two in FY 95. The NPDs follow. In addition, modest funding is budgeted for new AOJ private sector grants in FYs 94 and 95 in order to continue to support the development and testing of new approaches and methodologies for judicial reform. Experience has shown that the non-governmental organizations are generally the leaders in developing proposals for pilot and experimental approaches and that these pilot programs are useful in laying the groundwork for follow-on reform efforts. For instance, the National Institute for Citizen Education in the Law (NICEL) is carrying out a pilot public legal education program in three countries which is expected to be the model for other programs. The American Bar Association piloted a program of commercial and labor arbitration, and is leading a growing trend toward the use of alternative methods of dispute resolution in Latin America.

NEW PROJECT DESCRIPTION

LEGISLATIVE STRENGTHENING

LAC Goal: Support the evolution of stable participatory democratic societies

LAC Objective: Strengthen the competence of civilian government institutions

PROJECT TITLE: Legislative Strengthening II

PROJECT NUMBER: 598-XXXX

PROJECT FUNDING: FY 94 -- 250,000  
LOP -- 750,000

FUNDING TYPE: Development Assistance (DA) -- Grant

A. Consistency with LAC Bureau Strategy: Enhancing the capacity of LAC legislatures supports the LAC objective of strengthening the competence of civilian government institutions. We also seek to improve the accountability and responsiveness of government and to check unrestrained executive power.

B. Relationship to A.I.D. and Other-Donor Activities: This project provides funding for one activity that A.I.D. has been supporting through the existing Legislative Development project. Funding for this activity, which was one component of that project, will run out in FY 92 (although the PACD is FY95.) Legislative strengthening activities are also being implemented within certain country programs.

C. Relationship of Project to A.I.D. Policy Objectives: A key U.S. foreign policy and A.I.D. policy objective is strengthening democracy. Strengthening legislatures has been identified in both the A.I.D. Democracy Initiative and LAC's DI strategy as an important component of the effort to build effective democratic institutions.

D. Project Description: A three-year regional project in legislative development commenced in September 1990, with five inter-related components, plus provision for the continued support of ATELCA, The Association of Central American Legislative Technicians. The mid-term evaluation of that project, completed in April 1993, pointed out significant

problems with the project, which has led to the decision not to provide additional support for the five components. However, the evaluation recommended continued assistance for institutional and programmatic support to ATELCA. LAC/DI agrees that, while the association is not without problems, it would be a worthwhile endeavor to build on the investment made under the Regional Legislative Development Project by A.I.D. and by the legislatures themselves.

This follow-on project is required to reinforce the legislative information support and training mechanism provided by the Association of Central American Legislative Technicians (ATELCA). ATELCA, formed in 1989 in Guatemala, is a regional association of the technical and administrative staff from the national legislatures in Central America, including Panama and Belize. The very existence of ATELCA is an important achievement in that it is the only mechanism for information exchange and training at the regional level for legislative technical and administrative staff.

This project would provide \$750,000 over the next three years in institutional and programmatic support to ATELCA through the Center for Democracy, which would act as an advisor to the organization. These funds would be used to help ATELCA with major changes in the structure of the organization and to carry out substantive training, information development and information sharing programs. Training would include activities such as budget analysis, computer operation, library systems management and improved bill-drafting techniques. ATELCA would develop a publications plan, including such materials as a dictionary of parliamentary terms, a manual of parliamentary procedure, and a summary of the constitutions in the region. Regional seminars would update ATELCA professionals in the areas of law, economics, social issues and politics.

ATELCA would develop a three year action plan that would include a clear definition of the goals of the organization, clarification of membership criteria, the opening of an office in the region, training priorities, a plan to strengthen communication within the organization as well as between the legislative staff members of ATELCA and their host legislatures, and regularized dissemination of information about ATELCA's activities and other publications, and a plan to secure funds to ensure its perpetuation beyond AID support.

In addition, the project would reinforce the relationship of ATELCA to the legislative leadership groups in Central America, particularly the Encuentros de Presidentes de Congresos y Asembleas Legislativas Centroamericanas.

E. Planned Implementation Arrangements and LAC/DI Management Role:

The project will be implemented via a cooperative agreement with the Center for Democracy. LAC/DI will carry out an updated needs assessment and project design, then monitor and evaluate progress within that framework.

F. Issues: None

NEW PROJECT DESCRIPTION

EDUCATION FOR DEMOCRATIC VALUES AND LEADERSHIP

LAC Bureau Objective and Sub-objective

Encourage pluralism and strengthen the democratic values, knowledge and skills of citizens and their leaders; democratize the political culture by expanding/improving civic education programs and leadership training.

Project Title: Education in Democratic Values and Leadership

Project Number: 598-XXXX

Fiscal Years: 1995-1999

LOP Funding: \$7.5 million

Type of Funding: DA/ESF

A. Consistency with LAC/DI Strategy

One portion of LAC/DI's strategy is to strengthen democracy by making the political culture more democratic. This project supports that objective.

B. Relationships to A.I.D. and Other Donor Activities

The project will reinforce ongoing and planned non-formal civic education activities and, in some cases, Mission basic education projects. Some NED grants are complementary. Further information on other relevant other-donor activity will be developed during project design.

C. Project Description

LAC's democratic development strategy has three components: strengthening the institutions of governance, civil society and democratic culture. As the National Endowment for Democracy's very similarly focussed strategy statement notes, "Although political scientists and other experts may disagree about the relative importance of these three aspects of democratic development, it is generally acknowledged that all three are essential to the achievement and maintenance of stable democratic orders." LAC's regional program to date has concentrated heavily on the governance dimension, with a lesser emphasis on civil society. Although the AIFLD program and the forthcoming Partners/Conciencia program do address leadership and democratic

values training to some degree, LAC/DI has done nothing to date in the areas proposed below.

This project will seek to strengthen the democratic culture --the democratic knowledge, values, and skills of citizens and their leaders-- in three ways. First, in-region leadership training courses will be offered to supplement democratic education provided only in the U.S. under CLASP. These courses will emphasize the values and techniques of tolerance for other viewpoints, willingness to compromise, effective/empathetic listening skills, building coalitions and alliances, and communications skills. Local institutions will be identified in which to institutionalize these courses.

Second, extension of assistance in improving formal civic or democratic values education will be offered, building on experience with the current project in Nicaragua with the American Federation of Teachers that is redesigning Nicaragua's K-12 grade civic education curriculum. Emphasis will be on grade-appropriate level instruction in knowledge of democratic laws and institutions, civil rights and political liberties; appreciation for individual and minority rights; and history of the development of democracy, or its failure to develop and why. Rather than a separate "civics" program, these concepts will be built into history and government courses as much as possible. Methodological and technical assistance will be provided to analyze country situations, building on the AED survey being done now, and to design appropriate country-specific curricula. Emphasis will be placed on interactive, non-authoritarian pedagogic techniques in the classroom as well as subject matter. This project will provide core expertise in this area and information exchanges, conferences, etc. and actual country programs would be Mission funded.

Third, a family education component to the project will begin the task of introducing education in democratic knowledge, values and skills (KVS) into families as well as in civic and school life. This effort may help counter widespread male authoritarianism in LAC family life and incidentally, help reduce the widespread incidence of child and spouse or partner abuse as well as promote democratic KVS. Courses, modelled after existing Parent Effectiveness Training and other efforts in this area, will emphasize respect for the dignity and views of every individual and techniques of democratic as opposed to authoritarian methods of child rearing and communication with spouses/partners. One approach to implementing this component may be to strengthen women's groups in the region that are oriented toward womens' rights.

D. Planned Implementation Arrangements

The project will likely be implemented through a contract or cooperative agreement with an organization with experience in values education and/or leadership training, and possibly a U.S. firm with experience working with Latin American womens' organizations.

E. Sustainability of Proposed Activities

This issue will be dealt with during project design.

F. LAC/DI Management Role

LAC/DI will manage the project.

G. Potential Issues and/or Innovative Program Approaches

One issue is the potential sensitivity of the civic and family education components. The family education component is believed to be highly innovative insofar as U.S Government support is concerned, though private foundations are reportedly involved in this.

NEW PROJECT DESCRIPTION

FREE LABOR DEVELOPMENT

LAC Bureau Objective and Sub-objective

Support the evolution of stable, participatory democratic societies; encourage pluralism and strengthen the democratic values, knowledge and skills of citizens and their leaders.

Project Title: Free Labor Development

Project Number: 598-XXXX

Fiscal Years: 1995-1999

LOP Funding: \$5,000,000

Funding Type: DA/ESF

A. Consistency with Bureau Strategy

Part of the Bureau's democratic development strategy is to encourage pluralism, including democratic free trade unions. This project supports that element of the strategy.

B. Relationships to A.I.D. and Other Donor Activities

This project will complement the regional core grant to AIFLD and Mission private-sector development programs. Other-donor support to Labor is provided by NED, the ILO, and various European countries, notably the German Fredrich Ebert and Conrad Adenauer Foundations.

C. Project Description

At AA/LAC Michel's request, Development Associates was contracted not only to evaluate AIFLD's current program but also to make recommendations regarding a labor development strategy for the next five years that would look broadly at the labor sector in light of U.S. interests and development priorities in the region, and make program recommendations based on this analysis. The draft report, delivered in March 1993, argues that there is a large measure of congruence between U.S. interests --fostering economic growth and strengthening democracy-- and those of Labor, and that the USG should give greater priority than in the past to working with Labor to further both parties' interests. The report defines three inter-connected objectives: involving Labor more fully in policy discussions at the national and

international level on matters affecting its interests, which requires strengthened analytic and research capability; helping develop new models of labor-management relations to replace the old, confrontational modes with collaborative modes based on increased productivity from which both labor and management gain; and work to gain fuller compliance with basic workers' rights (e.g. the right to organize, to strike, to adequate working conditions in such areas as safety, length of day, child labor, environmental conditions, etc.).

To address these objectives, Development Associates recommended initiation of the following activities: up to four labor research centers in the region to provide analytical capability in economics, law and social science to help labor leaders develop strategic approaches to the problems they face, gather information on union membership, and search for successful labor-management relations models (\$6 million over 5 years); strengthen labor courts to better uphold workers' rights, provide prompt and just relief in labor-management disputes, and provide remedies for abuse of power by union leadership (\$5 to \$10 million over five years); train labor inspectors and strengthen their ability to carry out their jobs in an adequate, professional manner, to strengthen enforcement of worker rights (\$2.5 million); a pilot activity to train labor inspectors in mediation techniques (\$100,000); a pilot independent arbitration body with limited geographic focus as alternative dispute resolution mechanism (\$250,000); and introduction of labor-management relations courses into LAC business schools (e.g. INCAE) if these do not already exist (no cost estimate). These activities, totalling \$16.35 million over five years or \$3.3 million per year for the costed-out activities, would almost certainly contribute to achieving the stated objectives but in sum are beyond LAC'S probable budget capacity. LAC/DI is proposing a more modest program of around \$1 million per year (\$5 million LOP) that would encompass one or two rather than four labor research centers (\$2.25 million), encourage labor court and labor inspector strengthening as part of country AOJ programs with only limited regional funding (\$2.0 million), the pilot independent arbitration body (\$250,000), and assistance in establishing labor-management relations courses in LAC business schools (\$500,000).

#### D. Planned Implementation Arrangements

The research centers and labor relations courses would likely be developed under contract to a U.S. university with a center for labor research and studies. Labor court and inspector strengthening may be done through the AOJ Support Project contractor. The pilot arbitration body could be done by the U.S.

Federal Mediation and Conciliation Service. The U.S. Department of Labor could be used to coordinate the entire program.

E. Sustainability of Proposed Activities

This issue will be dealt with in the course of project design.

F. LAC/DI Management Role

LAC/DI would manage, monitor and evaluate the project. Staffing is being augmented to increase labor expertise and time to manage this and the AIFLD projects.

G. Potential Issues and/or Innovative Program Approaches

The multiple activities and possible multiple contractors may pose a management burden unless an overall coordinating contractor is used, which would increase overhead costs. The project is innovative in that it is LAC's first effort to define and undertake a comprehensive labor development program apart from traditional support to AIFLD.





#### **IV. Resource Requirements**

##### **A. Program**

See Table IV, below, for a program summary. LAC/DI's control level of \$27 million in FY 94 and 95 is constraining development of the program laid out in the Regional Strategy Framework, which envisioned a level of \$30-\$35 million. Consequently, the important new initiatives described above will not be funded without an increase to the \$28-29 million level in FYs 94 and 95. Without such funding, important areas of the Bureau's democracy strategy will not be addressed adequately.

##### **B. OE and FTE Implications**

LAC/DI needs \$46,000 in OE in FY 94 and \$48,200 in FY 95 to monitor adequately our substantial portfolio and hold an annual DI Officers' conference. This is more than twice the totally inadequate current-year level of \$19,500. It is absurd to try to monitor a \$25-27 million program with an OE budget equal to .078% of the program budget. Several audits and evaluations have called attention in the past year to the inadequacy of our monitoring activities. This must be remedied to enable us to manage the program professionally and avoid vulnerability and deserved criticism for inadequate program management. See Table V for details on requirements.

The proposed new projects can be managed without an increase in FTEs, assuming that the addition of one additional PASA position will be filled by a Labor Specialist who will handle AIFLD and the new labor project if it can be funded, as well as other projects. The amount of time devoted to labor affairs by LAC/DI has increased tremendously in the past six months and is not likely to diminish; also, a recent evaluation is the second one to note the inadequate time devoted by the office to monitoring AIFLD and labor matters. This Labor position, together with a second planned PASA position for an AOJ advisor, will ease the office's overall project management burden sufficiently to permit assumption of the planned new starts in FY 93-95.

One additional FTE will be required for an AOJ officer if ICITAP management responsibility is transferred from State to LAC/DI, unless another officer can be obtained via PASA or detailed from another agency. State/ARA is having difficulty managing the program and seems on the verge of proposing such a transfer. Programmatically it would make sense, to ensure adequate linkage between this major program and the rest of the DI portfolio.

The addition of these three additional officers will also require one additional clerical support FTE. At present the office has two clericals who are overloaded supporting seven officers. Three clericals are needed to support 9-10 officers.

FY 91-95 OBLIGATIONS FOR LAC REGIONAL DI PROJECTS						
PROJECT NUMBER	PROJECTS	ACTUAL	ACTUAL	OYB	REQUEST	PROPOSED
		FY 91	FY 92	FY 93	FY 94	FY 95
598-0591	<u>HUMAN RIGHTS INITIATIVES</u>	<u>1,919</u>	<u>4,321</u>	<u>2,748</u>	<u>4,836</u>	<u>3,938</u>
	IIDH	450	574	--	--	--
	CAPEL	700	107	--	--	--
	IIDH/CAPEL (new grant)	--	2,005	390	2,491	1,868
	ELECTION OBSERVERS:					
	OAS (PARAGUAY)	--	410	250	--	--
	NDI	200	--	487	500	220
	IRI	--	--	112	--	--
	OTHER	--	30	--	500	500
	AU-CIVIL/MILITARY REL'S	372	204	--	--	--
	LABOR/MANAGEMENT SYMPOSIA	--	185	470	--	--
	ARGENTINA	--	250	450	450	450
	BRAZIL	--	--	--	100	100
	PARAGUAY	90	460	380	700	700
	VENEZUELA (CLD & CAJP)	--	--	100	--	--
	IPA	107	96	109	95	100
598-0642	<u>REGIONAL AOJ (TOTAL)</u>	<u>3,519</u>	<u>4,525</u>	<u>2,319</u>	<u>3,049</u>	<u>2,818</u>
	ILANUD	2,000	1,700	700	500	400
	FIU	200	455	--	--	--
	PRIVATE SECTOR GRANTS	129	480	--	250	250
	ARGENTINA	250	350	500	500	500
	BRAZIL	--	20	--	--	--
	CHILE	509	1,000	600	1,070	1,080
	MEXICO	55	--	--	--	--
	PARAGUAY	150	145	250	300	300
	URUGUAY	226	350	50	250	103
	VENEZUELA (USIS, others)	--	25	45	--	--
	AOJ ADVISOR	--	--	174	179	185
598-0644	ICITAP	4,000	4,900	4,000	4,000	4,000
598-0658	FINANCIAL MGMT IMPROVEMENT	1,342	181	--	--	--
598-0669	AOJ SUPPORT	450	790	913	185	1,000
598-0770	REGIONAL LEGISLATIVE MGMT	1,000	1,076	151	--	--
598-0777	CHILE LEGIS ASSIST CENTER (CEAL)	500	500	800	600	500
598-0789	AIFLD UNION-TO-UNION	953	953	--	--	--
598-0790	AIFLD CORE GRANT	7,487	7,487	195	--	--
598-0796	CHILE-PARTICIPA	600	800	600	700	250
598-0798	DEMOC. DEVELOPMENT SUPPORT	--	--	--	1,630	1,700
598-0799	LOCAL MUNICIPAL GOVERNMENT	--	--	700	500	500
598-0800	ACCOUNTABILITY & FIN. MGMT.	--	--	2,259	2,000	2,000
598-0802	CENTRAL AMER. JOURNALISM	4,506	783	1,376	950	1,920
598-0803	CIVIL-MILITARY RELATIONS II	--	--	550	750	750
<del>598-0805</del>	<del>AIFLD UNION-TO-UNION II</del>	--	--	950	900	850
598-0806	AIFLD CORE GRANT II	--	--	7,065	6,650	6,200
598-0813	PARTNERS/CONCIENCIA CIVIC EDUCATION	--	--	250	250	250

Combining into one #

FY 91-95 OBLIGATIONS FOR LAC REGIONAL DI PROJECTS						
PROJECT NUMBER	PROJECTS	ACTUAL FY 91	ACTUAL FY 92	OYB FY 93	REQUEST FY 94	PROPOSED FY 95
598-C000	PD&S ACTIVITIES	--	319	--	--	--
	AIFLD EVALUATION	--	--	205	--	--
	ANDEAN JOURNALISM ASSESS.	--	--	0	--	--
	ELECTION PORTFOLIO EVALUATION	--	--	150	--	--
	OTHER	--	--	298	--	--
<b>TOTAL LAC/DI OBLIGATIONS</b>		<b>26,275</b>	<b>26,636</b>	<b>25,529</b>	<b>27,000</b>	<b>26,676</b>

PROJECT NUMBER	SHELF ACTIVITIES/PROJECTS	ACTUAL FY 91	ACTUAL FY 92	OYB FY 93	REQUEST FY 94	PROPOSED FY 95
	FREE LABOR DEVELOPMENT	--	--	--	1,000	1,000
	EDUCATION FOR DEMOC VALUES & LDRSHP	--	--	--	--	1,500
	<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000</b>	<b>2,500</b>

FY94OE.Wk1

FY 94 OE BUDGET

Updated: 04/29/93 09:01 AM

OFFICER	DESTINATION	PURPOSE OF TRIP	NO. TRIPS	NO. DAYS	PER DIEM RATE	AIRFARE /OTHER	COST OF TRIP	TOTAL/OFFICER
<u>Bolstad</u>	Nic, El Salv, Arg	Partners/Conciencia Site Visits	1	21	\$180.00	\$2,300.00	\$6,080.00	\$6,080.00
<u>Isralow</u>	Central America Chile & Bolivia	CAJP, Legislative, ATELCA CEAL	1	9	\$150.00	\$1,400.00	\$2,750.00	\$6,425.00
			1	9	\$175.00	\$2,100.00	\$3,675.00	
<u>Davidson</u>	Central America South America Miami, FL Los Angeles, CA		2	4	\$168.00	\$600.00	\$2,544.00	\$6,949.00
			1	5	\$160.00	\$1,700.00	\$2,500.00	
			1	5	\$97.00	\$300.00	\$785.00	
			1	5	\$134.00	\$450.00	\$1,120.00	
<u>McFarland</u>	Williamsburg, VA Central America Chile/Bolivia North America Guatemala Argentina	Mult. Project/Country visits  Domestic AOJ Conference AOJ Conference AOJ Conference	2	2	\$102.00	\$45.00	\$498.00	\$11,948.00
			1	10	\$150.00	\$1,400.00	\$2,900.00	
			1	10	\$138.00	\$2,400.00	\$3,780.00	
			1	4	\$134.00	\$450.00	\$986.00	
			1	5	\$152.00	\$800.00	\$1,560.00	
<u>Sellar Rplmt</u>	Central America South America		1	14	\$150.00	\$600.00	\$2,700.00	\$6,640.00
			1	14	\$160.00	\$1,700.00	\$3,940.00	
<u>Schofield</u>	Miami, FL Los Angeles, CA Central America		1	3	\$97.00	\$300.00	\$591.00	\$3,219.00
			1	3	\$134.00	\$450.00	\$852.00	
			1	7	\$168.00	\$600.00	\$1,776.00	
<u>Conference</u>	Santo Domingo	LAC/DI Conference	4	5	\$117.00	\$600.00	\$4,740.00	\$4,740.00
<b>TOTAL LAC/DI OE BUDGET:</b>								<b>\$46,001.00</b>

FY 94 OE REQUEST: \$46,000  
 FY 95 OE REQUEST: \$48,300

TABLE IV - 135

V. Issues

1. Inadequacy of the office's travel budget-- see discussion above.
2. Inadequacy of program budget-- see discussion above.
3. In a number of Missions the labor program is being monitored by and is more closely intertwined with the Trade and Investment (TI) Office than with the DI Office. LAC/DI's proposed new labor project has at least as much to do with economic productivity as with democratic development objectives. Should responsibility for the labor projects (and the PASA position) be transferred from LAC/DI to LAC/TI?
4. Inability to obtain an OYB or apportionments until late in the fiscal year is extremely wasteful of scarce staff time and a constraint to program development. The atmosphere of uncertainty created by the Agency's inability to make or obtain budget decisions in recent years hinders planning and creates a negative impression on the organizations with which we deal.

LAC COUNTRIES ARRANGED BY SIZE OF POPULATION WITH  
FREEDOM HOUSE RANKINGS, 1980-1992

Updated: 04/30

COUNTRY	POP. (000s)	RANKINGS*												PAST YR'S CHANGE			CHANGE SINCE '80	CHANGE SINCE '85	% POP IN LAC
		1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	CHANGE				
BRAZIL **	145,930	7	7	6	6	6	5	4	4	5	4	5	5	5	--	+2	-1		
MEXICO **	85,300	7	7	7	7	7	8	8	8	7	7	8	8	7	+1	-1	--		
ARGENTINA **	32,205	11	11	11	6	4	4	3	3	3	3	4	4	5	-1	+7	-1		
COLOMBIA **	30,485	5	5	5	5	5	5	5	5	5	7	7	6	6	--	-1	-1		
PERU	21,835	5	5	5	5	5	5	5	5	5	6	7	8	11	-3	-3	-3		
VENEZUELA	19,010	3	3	3	3	3	3	3	3	3	4	4	4	6	-2	-1	-1		
#1 GROUP TOTAL	334,445															78.1%			
GROUP AVERAGE		6.33	6.33	6.17	5.33	5.00	5.00	4.87	4.87	4.87	5.17	5.83	5.83	6.67	-0.84	+34	-2.00		
CHILE **	12,925	11	11	11	11	11	11	11	11	9	7	4	4	4	--	+7	+7		
CUBA	10,440	12	12	12	12	12	12	12	12	13	14	14	14	14	--	-2	-2		
ECUADOR	10,345	4	4	4	4	4	5	5	5	4	4	4	5	5	--	-1	--		
GUATEMALA	8,818	11	12	12	12	11	8	6	6	6	6	7	8	9	-1	+3	-2		
BOLIVIA	7,184	12	12	5	5	5	5	5	5	5	5	5	5	5	--	+7	--		
DOMINICAN REP.	7,069	5	5	3	3	4	4	4	4	4	4	5	5	5	--	--	-1		
HAITI	6,346	12	13	13	13	13	13	9	11	12	12	8	14	14	--	-2	-5		
EL SALVADOR	5,122	10	10	9	9	8	6	7	7	6	7	7	7	6	+1	+3	--		
HONDURAS	5,047	7	6	5	6	5	5	5	5	5	5	5	5	5	--	+2	--		
PARAGUAY **	4,210	10	10	10	10	10	10	11	11	12	7	7	6	6	--	+4	+5		
NICARAGUA	3,689	10	11	11	11	10	10	11	10	9	10	6	6	7	-1	+4	+5		
URUGUAY **	3,184	10	10	9	9	9	4	4	4	4	3	3	3	3	--	+7	+1		
COSTA RICA	2,990	2	2	2	2	2	2	2	2	2	2	2	2	2	--	--	--		
JAMAICA	2,470	5	5	5	5	5	5	5	4	4	4	4	4	4	--	+1	+1		
PANAMA	2,400	8	8	10	9	7	9	9	10	11	7	6	6	7	-1	+2	+3		
#2 GROUP TOTAL	92,239															21.0%			
GROUP AVERAGE		8.60	8.73	8.07	8.07	7.73	7.27	7.07	7.13	7.07	6.47	5.80	6.27	6.40	-0.13	+2.20	+67		
TOTAL GRPS 1+2	426,684															99.1%			
AVERAGE		7.95	8.05	7.52	7.29	6.95	6.62	6.38	6.43	6.38	6.10	5.81	6.14	6.48	-0.34	+1.47	-10		
TRINIDAD/TOBAGO	1,295	4	4	3	3	3	3	3	2	2	2	2	2	2	--	+2	+1		
GUYANA	785	8	9	9	10	10	10	10	10	10	9	9	9	6	+3	-1	+1		
SURINAME	398	12	12	13	13	13	12	12	8	5	7	10	8	6	+2	+4	+4		
BARBADOS	255	2	2	2	2	3	3	2	2	2	2	2	2	2	--	--	--		
BAHAMAS	243	3	3	4	4	4	4	4	5	5	5	5	5	3	+2	-2	-1		
BELIZE	184	3	3	3	3	3	2	2	2	3	3	3	2	2	--	+1	--		
ST. LUCIA	148	5	4	4	4	3	3	3	3	3	3	3	3	3	--	+2	--		
ST. VINCENT/ GRENADINES	125	4	4	4	4	4	4	4	3	3	3	3	3	3	--	+1	+1		
DOMINICA	100	4	4	4	4	4	4	4	4	4	3	3	3	3	--	+1	+1		
GRENADA	95	10	11	11	13	8	5	4	3	3	4	4	3	3	--	+7	+1		
ANTIGUA/BARBUDA	84	4	4	5	5	5	5	5	5	5	5	5	6	6	--	-2	-1		
ST. KITTS/NEVIS	47	5	5	5	4	2	2	2	3	3	2	2	2	2	--	+3	--		
#3 GROUP TOTAL	3,739															0.9%			
GROUP AVERAGE		5.33	5.42	5.58	5.75	5.17	4.75	4.58	4.17	4.00	4.00	4.25	4.00	3.42	+0.56	+1.91	+1.16		
GRAND TOTAL	430,423															100%			
TOTAL AVERAGE		7.00	7.09	6.82	6.73	6.30	5.94	5.73	5.61	5.52	5.33	5.24	5.30	5.36	--	+1.64	+37		

\* NOTE: Ranking scale runs from 2 - 14. Within this spectrum, countries ranked 2-5 are considered "free," countries ranked 6-11 are considered "partly free," and 11-14 countries are considered "not free." See attached checklists of political rights and liberties that are used in determining countries' rankings. These were developed by Dr. Raymond Gastil and have been modified somewhat by current Freedom House staff.

\*\* ADCs

# Latin America: Democracy and the Politics of Corruption

Douglas W. Payne

**L**atin America's leaders gathered in Madrid in July 1992 to "reaffirm our commitment to representative democracy, respect for human rights and fundamental freedoms as the pillars of our community." News of their declaration, however, was practically drowned out by the wave of protests directed at their scandal-ridden governments back home. Over the last decade a majority of Latin Americans gained the right to choose their governments through the ballot box. But most aspiring citizens have found that their nations have yet to advance much beyond what the late Venezuelan writer Carlos Rangel called "air republics," in which laws and institutions are suspended on the winds of unchecked power and corruption.

Corruption in Latin America is rooted in the sixteenth-century Spanish and Portuguese conquest whose principal legacy is a tradition of rule based on power rather than law. Since independence, Latin America has produced hundreds of constitutions, many of them with democratic features. But in most Latin American nations, rulers have operated according to the adage, *se acata pero no se cumple* (laws are accepted but not fulfilled), perpetuating a political culture of violence, corruption and impunity that has endured through intermittent periods of elected rule.

Today in Latin America democracy is nurtured by the spread of democratic ideas through advanced communications and modern transportation. New civic organizations and advocacy groups are appearing every year. They are chiseling away at the tradition of centralized authority, as each in its way is demanding a say in how the rules are made after the votes are counted.

But the region remains in a prolonged economic crisis born of the profligate, statist policies of the past and made more difficult by the need to conform to an unforgiving global economy. Many Latin Americans have displayed a willingness to accept a measure of sacrifice in exchange for the promise of renewed economic growth and development. However, austerity programs, restructuring, and an offensive against organized labor have exacerbated social and economic inequities already unmatched by any other region in the world. The gulf between rich and poor has widened and the middle classes, the anchor of any established democracy, are sliding back toward poverty.

Governments can shift some of the blame to demanding international financial institutions and the protectionist tendencies among developed nations. But Latin America's increasingly hard-nosed journalists have begun exposing the age-old systems of bribery, kickbacks, privileges and in-

stitutional corruption that flourish behind the rhetoric of democracy and free markets. With scandals grabbing headlines across the region, the idea has taken hold that politicians are imposing economic adjustments principally as a means to reline their pockets and preserve their elite status. Dampened popular expectations have turned to frustration and finally, in a number of countries in 1992, to outrage.

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Some Latin American leaders, notwithstanding the noble sentiments expressed in Madrid, have responded by reverting to authoritarian ways—ruling by decree, relying on force to stem unrest, and attacking the independent media. Their anti-democratic actions are limited by the expectations of the developed world that the democratic trend in the region will continue. But they are confident their transgressions will be overlooked because their economic reforms have been blessed by the international financial community.

Despite the inherent instability of this scenario, the region's armed forces thus far appear reluctant to initiate a new cycle of military rule. The generals handed responsibility for the economic crisis over to the politicians in the 1980s and they do not want it back. However, mounting popular revulsion over politics-as-usual has emboldened nationalist officers, usually younger men who view economic liberalization and budget-cutting as threats to their careers.

At the same time, the drug-trafficking network continues to spread. Driven by expanding markets in the developed world, it is penetrating political systems in nearly every country in the region, threatening even the relatively solid democracies in the English-speaking Caribbean. The drug trade thrives on the culture of corruption, undermines already weak, politicized judicial systems, fuels political and criminal violence, and provides a pretext for human rights violators both in and out of uniform.

Setbacks in Peru and Venezuela, potentially positive developments in Brazil and El Salvador, and the revival of Chile's democratic political culture after years of military rule indicate that the prospects for strengthening democratic rule

vary from country to country. But overall, it can be said that if democracy is to advance, if political rights and civil liberties are to be guaranteed by a rule of law rather than merely tolerated by those in power, then the nature of Latin American politics itself must change.

**"Kill Politicians"**

Presidents Alberto Fujimori of Peru and Carlos Andres Perez of Venezuela did not attend the Ibero-American summit in Madrid. Fujimori, backed by the military, had dissolved Peru's Congress and suspended the constitution in April and was busy consolidating his *autogolpe* (self-coup). Perez had barely survived an attempted coup by mid-level officers in February and his grip remained shaky (he weathered a second attempt in November).

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Perez was supported in Madrid and Fujimori was not, as their colleagues condemned "any attempt to alter the institutional order of democracy." Yet a majority of Peruvians and Venezuelans had made it clear they felt different. Polls in Peru showed that Fujimori's popularity had soared after he put most of Peru's political class out of business and promised to eradicate the Shining Path guerrillas.

Perez, however, whose ratings were near the bottom at the time, was besieged by widespread protests demanding he resign. Oil-rich Venezuela has the highest per capita income in South America, yet half its population lives in poverty. Opinion polls showed that many Venezuelans sympathized with the rebel soldiers and most named corruption as the principal reason for the attempted coup.

An idea frequently expressed in both countries was: Better an honest dictatorship than a corrupt democracy. But those who scrawled "Kill Politicians" on city walls more accurately reflected the nature of people's anger. Polls show that Latin Americans of all classes believe their governments are steeped in corruption. They also indicate that most people do not want to forfeit hard-won democratic freedoms. They do not want a return to dictatorship. They just want their politicians to clean up their act, or make way for a more honest and representative generation.

The election of President Fernando Collor de Mello in Brazil in 1989 seemed to signal that at least in one country a new generation had arrived. Collor, young and telegenic, rode to power on an anti-corruption platform. By 1992, however, he had been caught at the center of a \$55 million graft and influence-peddling scheme involving close political associates and members of his family. Two months after return-

ing from Madrid he was suspended by the Brazilian Congress and faced with an impeachment trial.

At first it looked like Collor might buy his way out of trouble by siphoning millions of dollars into pork-barrel projects of swing-vote legislators. There were also ominous noises from a military that had given way to civilian rule only in 1985. But with anti-corruption protests filling the streets of Brazil's major cities and the media spotlighting the Congress's every move, Collor went down in history as the first Latin American president to be removed by constitutional means.

Collor's fall is only a first step toward cleaning up Brazilian politics. After all, he was ousted by legislators who have given themselves salaries of \$6,000 per month in a country where minimum wage, for those lucky enough to receive it, is barely \$40 per month. But what happened in Brazil suggests that Latin America's political systems can be forced to cleanse themselves if an environment of free expression is maintained, and that the armed forces, traditionally primed to step in during an outbreak of disorder, might be less eager to interfere than in the past.

**Argentina next?**

The events in Brazil sent tremors throughout the region as the media trumpeted the end of the era of "the untouchables." Nowhere was "Collorgate" watched so closely as in neighboring Argentina where scandals had been swirling around President Carlos Menem since 1991. Menem has not been directly linked to the illicit activities involving his family and close associates. But Argentine journalists continued to peel away the layers of government corruption, even inviting Carl Bernstein of Watergate fame to Buenos Aires for consultation.

Menem's response has been to stretch the limits of democratic rule. Since 1991 he has ruled mostly by decree. He packed the Supreme Court and in 1992 used it to uphold executive orders removing officials mandated to probe official wrongdoing. He also initiated a campaign to entangle journalists and writers in a web of lawsuits, while his aides leveled a steady barrage of verbal attacks. Journalists continue to be killed in Latin America at an alarming rate, particularly in the Andean countries. But the assault on the media in Argentina reflects a newer pattern of more sophisticated intimidation by elected governments caught up in scandal.

Menem scoffed at criticism of his authoritarian style from the Congress and the press, stating just prior to the summit in Madrid, "It doesn't bother me to govern by decree." His self-assurance stemmed from his success in capping inflation and the approval of his economic reforms in international circles. But surveys showed that 90 percent of Argentines believed corruption in Menem's government was "high" or "very high." Given the economic downturn at the end of 1992 and Argentina's notoriously volatile public opinion, many Argentines were thinking "Menemgate."

Menem's disdain for the concept of separation of powers suggests he is enamored of the Mexican model. Mexico, in fact, is the envy of many governments in the region. President

Carlos Salinas has carried out a remarkable overhaul of the Mexican economy, putting his country first in line for a free trade agreement with the United States. But he has had the advantage of virtual one-party rule. In the Mexican system, checks and balances are mostly in the president's head. Modest political reforms in recent years have done little to alter Mexico's status as the most authoritarian state in Latin America outside of Cuba and, now, Peru.

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With Mexico's move to a market economy, pressure for democratization is increasing. In Mexico, and indeed throughout Latin America, breaking down commercial barriers has led to the dismantling of psychological barriers of anti-modernity which have helped sustain authoritarian traditions for centuries. Mexico's opening to the world and the experience of greater economic freedom have spawned an array of independent civic organizations that lend weight to mounting

opposition demands that the Institutional Revolutionary Party (PRI) loosen its grip on the state and allow free elections. Salinas has laid the economic groundwork for what he promises will be a "modern Mexico." But the longer he resists a transition to democratic rule, the greater the risk his project will run aground.

President Cesar Gaviria of Colombia is one leader who has made a serious attempt to fashion a more honest, representative political system. After his election in 1990, he initiated the writing of a new constitution designed to break the traditional oligarchical grip on government, curtail institutionalized corruption and enhance the independence and powers of the judiciary. It was hoped such reforms would entice left-wing guerrillas to join the political process. Gaviria also sought to reduce narco-terrorism by offering drug traffickers leniency in exchange for turning themselves in.

In 1992, however, Colombia was swamped by yet another wave of guerrilla and drug-related violence. Gaviria's credibility plummeted when drug kingpin Pablo Escobar, who had surrendered in 1991, bribed his way out of a cushy detention compound and unleashed the Medellin cartel's hit squads against judges and police. Then, following the breakdown of peace negotiations, left-wing guerrillas initiated a nationwide offensive. The insurgents, having fought for nearly three decades under a Marxist banner, now appear more interested in preserving a multi-million-dollar kidnapping and extortion racket



*Demonstrators in Brazil demanding the impeachment of President Fernando Collor de Mello, 25 August 1992.*

which in some quarters has earned them the sobriquet, "Guerrilla Inc." For the beleaguered Gavia, ensuring the survival of the state took precedence over reforming it.

**Central America**

With the exception of democratic Costa Rica, the nations of Central America are the most politically stunted in the hemisphere. The transition to elected rule remains shaky, corrupt militaries continue to exercise veto power over equally corrupt civilian governments, judicial systems don't function, and more than half the people cannot meet basic food and health needs.

In Guatemala, human rights abuses and political violence are responsible for more deaths than in any other country in Latin America except Colombia and Peru. In Nicaragua, the government of President Violeta Chamorro remains locked in an ill-considered embrace with the Sandinistas, which has allowed Gen. Humberto Ortega to emerge as the nation's strongman in the tradition of the former Somoza dynasty. In Panama, an incompetent, unpopular government depends on the presence of the U.S. Southern Command for its security amid mounting protests and political violence. Opinion polls indicate that a majority of Panamanians do not want the U.S. military to leave.

After twelve years of civil war the people of El Salvador were given at least a reprieve. An agreement brokered by the U.N. between the government and left-wing guerrillas led to a cease-fire in February 1992. The pact called for the guerrillas to disarm and the government to reduce the army by half and purge human rights violators by the end of October. Although the deadline passed amid mounting tension and mutual charges of noncompliance, the armed peace was maintained and the U.N. was able to forge a second agreement that extended the timetable until the end of the year. But with the unrepentant army and right-wing extremists making threatening noises, Salvadorans remained wary.

**Castro's last stand**

Fidel Castro went to the Madrid summit looking for assistance to save Cuba's economy from total collapse. He went so far as to sign the declaration endorsing representative democracy and respect for human rights, a monumentally cynical act even for Castro. But it did not work. He was cold-shouldered by his colleagues and mocked in the Spanish media.

Back home Castro declared, "We revolutionaries prefer death a thousand times" to giving up Cuba's socialist system. The island appeared headed for what Castro calls the "Zero

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Option," in effect the devolution into a pre-industrial society cut off from the world. It was difficult to determine how long the Cuban people would tolerate a diet of apocalyptic rhetoric, deprivation and repression. Castro seemed intent upon making the final chapter of the Cuban Revolution an ugly episode, a potentially eerie complement to the ongoing tragedy across the Windward Passage in Haiti.

Castro was asked during an interview in 1992 if he still believed history would absolve him. He answered yes, repeating his prediction that capitalist democracy was bound to fail. To make his point, he ranged over the myriad problems that beset Latin America and the recent trends in the region that threaten to undermine the promise of democracy. Castro, himself more a product of Latin America's anti-democratic traditions than Marxist ideology, does not want to believe that those traditions can give way to a new set of democratic values.



*President Carlos Menem of Argentina*

But political cultures do evolve, if slowly. Twenty years ago Spain and Portugal were ruled by dictators. It galls Castro that the colonizers of Latin America have become solid, representative democracies. But in Latin America today, ordinary people are further along than their leaders in embracing democratic values. They are organizing peasant federations, worker movements, neighborhood associations, and small business, professional, legal service, and rights groups. Even those in the burgeoning informal economies, the poorest of the poor, are demonstrating an ability to form social and economic units more democratic and efficient than the central governments that shun them. The question is whether the politicians will catch up before cynicism and disillusionment set in.

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## LAC DEMOCRATIC DEVELOPMENT PROGRAM GOAL AND OBJECTIVES

Goal: Support the evolution of stable, participatory democratic societies.

### Objective

Encourage the strengthening of competent civilian government institutions that will merit public confidence, diminish the concentration of political power, and foster public participation.

### SUB-OBJECTIVES

- Rule of law strengthened:
  - effectiveness of judicial and police systems improved.
  - adherence to and respect for human, civil, and political rights and liberties improved.
  - legal/regulatory/judicial climate for investment improved.
- Ability to administer free, fair, and open elections strengthened.
- Honesty and competence of executive branch improved:
  - Financial management capability, accountability, and transparency improved.
  - Administrative culture and systems improved to foster and maintain professionalism, honesty, and continuity in public service.
- Local and municipal government strengthened.
- Civilian control of the military strengthened.
- Legislative branch effectiveness strengthened.
- Multi-party political party systems strengthened.

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2. Encourage pluralism, and strengthen the democratic values, knowledge, and skills of citizens and their leaders.

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- Strengthen civil society:
    - Alternative information and opinion sources strengthened, including a responsible free press and media, think tanks, and textbook supplies.
    - Civic, professional, business, and community organizations and democratic trade unions strengthened.
  - Democratize the political culture:
    - Formal and non-formal civic education programs expanded and improved.
    - Leadership training to strengthen democratic knowledge, values, & practices.
  - Other innovative approaches tested.