

**HIRC Western Hemisphere Subcommittee Hearing
9-28-05**

I'm pleased to report to the committee some of my first hand impressions about democracy in the region. I applaud the President's focus on democracy around the world, particularly in the Middle East, which so desperately needs it. By comparison, Latin America is a great success story -- democracy exists in every country but one.

Yet I think we are wise to resist the temptation to view democracy in Latin America as "mission accomplished." As we follow the president's lead on extending democracy around the world, we need to be as concerned about keeping nations in the democratic fold as we are about adding new states to it.

During my travels, I have had the opportunity to visit some of the "hot spots" for democracy in the region.

I traveled to Cuba in 2003, as someone who had serious doubts about the effectiveness of our embargo in encouraging change on the island. I still believe the embargo has not hastened Cuba's transition, but neither would lifting it. At a time when Castro has locked up dissidents for such offenses as having an independent library or belonging to Doctors Without Borders, I think it would be a mistake to open trade or travel with Cuba unless we can get a serious commitment and action on human rights in return.

I returned hits spring from my visit to Venezuela and meeting with President Chavez concerned as to where the country is now, but even more so about where it is going. There is a growing militarization of the society. Non-governmental groups like Sumate are on trial for accepting small grants from the U.S.

I fear that the state of democracy in Venezuela may be like boiling a frog. If you put a frog in a pot of boiling water, it will jump right out. But if you put a frog in cool water and slowly increase the temperature, the frog will eventually boil to death. Now President Chavez was elected democratically, and if elections were held today, I think he would probably be reelected. But my fear is that he is taking steps to slowly squeeze out democracy in Venezuela.

But I am an optimist, and here is my hope – that the U.S. and Venezuela can overcome the rhetoric and the fears and build on the strong commercial ties we still have. When I met with President Chavez he commented that he could shut down Citgo tomorrow. I said, "Well, yes, but you could also cut off your right arm. Would that feel good?" The reality is that China is a long way away, and for the time being, it makes sense for Venezuela and the U.S. to continue being energy partners. I also think we would make a mistake to feed a negative situation by demonizing President Chavez. We need to be engaged, both so we have a clear sense of what is happening in Venezuela, and respond to changes at the margin -- encouraging the positive and working with other countries in the region, like Brazil, Colombia, and Spain to shine a light on the negative.

Brazil's government is also on the rocks. We should pay attention to events here because the

future course of the Brazil will have a major impact on the region -- half of the continent's people, half of the continent's resources are all in Brazil. One quarter of the continent's population is in Sao Paolo alone.

Corruption charges against President Lula could have brought down the government or thrown economy into disarray. That fact that they have not illustrates Brazil's political maturity. Economic stability has trumped political advantage. We are also fortunate that this scandal has fallen near the end of his term and the calendar may remove him from office.

The United States clearly has an important leadership role to play in supporting democracy in Latin America. But we also need to understand that one skill of good leaders is their ability to listen, and in my travels and in my relations with people in this hemisphere, I have always tried to go with an open mind and open ears, to learn more than to teach. With that in mind, permit me to reflect on three other hot spots I have not yet visited, but remain of concern to me.

In my judgment the Andes region is a special concern. Democracy is weak in Bolivia and Ecuador, and even President Toledo in Peru does not have much support. In many ways it is a question of giving the positive results of democracy a chance to ripen in the face of indigenous and cocalero movements that often work outside the democratic system.

Moving north to Nicaragua, President Bolaños is in a political squeeze play between Daniel Ortega and the former President Aleman. It's created an odd dynamic of uniting outsiders who don't agree on anything but their desire to get back on the inside. President Bolaños' courage to expose the corruption of the previous administration was important for official integrity and accountability, but he is paying a heavy price for sweeping it out from under the rug.

And the instability in Haiti continues. Haiti remains polarized and violent. We can look to the elections later this year with some hope, but the reality is that progress in Haiti is going to require considerable attention for years to come.

A number of factors help to explain democracy's weakness in these hot spots:

First, there is economic disparity and poverty. Latin America has the widest income disparity of any world region. A study by UNDP found that half of Latin Americans would trade in their democracy on an improvement in their pocketbooks. I worry about unfulfilled expectations -- that we are building up democracy or the latest trade agreement to equal the end of poverty. These things are important, but should not be oversold.

The second hurdle is illegal drugs and the criminal culture they create. Crime impedes economic development, and causes people to lose faith in their governments. Corruption eats away at the whole government and makes country inhospitable for business. Weapons add fuel to the fire.

A third issue is learning the right lessons of history. The legacy of the strongman casts a long shadow. If people expect their presidents to be all-powerful caudillos, yet deprive them of the real powers to get things done, they are setting themselves up for disappointment. The inability of leaders to seek reelection makes them instant lame ducks, and contributes to the problem of

unfulfilled expectations.

All of these unmet expectations are fertile ground for the empty promises of populism.

How might the U.S. support democracy in Latin America? I would like to humbly offer eight policy recommendations:

1. We need comprehensive relationships. U.S. policy needs to be broadly focused, supportive of institutions and economic growth, not just focused on counternarcotics.
2. We need to engage in exchanges where parties in the region gather as equals to listen and learn. We need to make student visas more accessible. We need to engage with young rising political figures. We need add flexibility to the American Service Members Protection Act, so that foreign military training in Latin America is not cut off due to differences over the International Criminal Court. Isn't it better for Latin military leaders to get training by Americans, who will instruct them in democracy, civilian control, human rights, rather than leaving them to learn tools of repression from the China?
3. We need to support the Millennium Challenge Account. It will boost democracy and economic growth by supporting poverty reduction in countries that are making an investment in democratic institutions, the rule of law, and the education of their people.
4. We need to encourage fair elections. Election monitoring must begin months before the election. The U.S. should not take a side, but must insist on fairness. Political parties must also become more democratic within themselves. Elections need to be a true reflection of the will of the people, not the result of a back room deal by party leaders.
5. We need to reach out to responsible Leftists, like Presidents Lula, Lagos, or even Vasquez in Uruguay. The U.S. needs to engage and cooperate with people who are democratically elected, regardless of their ideological stripes. Democracy is a process, not an outcome.
6. We need to encourage private property ownership. We know that if you give a man a fish you feed him for a day. If you teach him to fish, he can feed himself for a lifetime. But real change in society happens when you help him to buy the pond. Ownership is a powerful tool in fighting poverty and crime, and gives people more of a stake in their societies.
7. We need to hold up positive developments in the region. Latin American states may not be able to relate to the United States' experience. But if Chile can progress from Pinochet to a stable and prosperous country with elections coming up, why not everyone else?
8. And finally, we need to forge listening relationships. We need to recognize, even as the world's superpower, that Brazil has a lot more influence with Chavez than we do.

One of the things we will no doubt hear is that the best way to combat populism is by showing that democratic leaders care for the poor and have a plan to help them. And we have to do it not

just because it works to build democracy, but because we actually have a heart for those crushed by poverty and injustice.

Emerging leaders in the region aren't looking for a lecture: they're hoping for an example of democratic values at work.