



Next Generation Democracy 2014-2018

Final Insights



1. Introduction

There is a generalized concern that democracy is in decline. Journalists and analysts abound: the link of representation is broken, corruption and deficient public services are hindering trust in democratic institutions, and the relevance of democratic politics is increasingly challenged by global issues that transcend the boundaries of the Nation State. Much less explored are the drivers behind these changes.

Interest in the drivers of democracy is an integral part of the World Leadership Alliance-Club de Madrid (WLA-CdM)'s identity. It is on the margins of the 2001 *Conference on Democratic Transition and Consolidation* that the idea was born to form an international body of former heads of state and government who could share their experience of democratic governance with current leaders and experts. At that time, eight themes were considered essential for the furtherance of democratic consolidation around the world – eight themes that, in hindsight, are evocative of an era dominated by Third Wave¹ enthusiasm, with a heavy focus on institution (re)building in the Nation State. These eight themes were: constitutional design, the legislature and its relations with the executive, the judiciary and its relations with the executive, anti-corruption measures, the role of armed forces and security forces, the reform of the State bureaucracy, strengthening of political and social pluralism and political parties, and economic and social conditions.

Just 12 years after this foundational conference, it had become obvious that the world had changed in ways that radically altered the concerns, priorities and approaches of leading democracy experts and practitioners in all regions of the world. The Third Wave of democratization had come to a rest, new pockets of democratic hope had opened up in unexpected places, and early signs of citizen discomfort were planting seeds of concern in old and new democracies alike. The narrow focus on institution building was forced to widen up as political, social, economic, environmental and technological phenomena became increasingly intertwined, brought together in the heightened awareness of an increasingly connected citizenry. The 2030 Agenda for Sustainable Development, while omitting to name democracy among its goals, underscored the relevance of democratic principles as underpinnings of all development efforts.

It is in that context that the WLA-CdM launched a new initiative to take the pulse of democracy around the world, with a view to informing its own and others' efforts to support democratic development to 2030. The **Next Generation Democracy** project, which ran from late 2014 to early 2018, was an opportunity to consult and convene former democratic Presidents and Prime Ministers, experts, practitioners and leaders from broad communities of practice and bring their vision of democratic dynamics, trends and transformative practices into a collective, forward-looking agenda for the future of democracy – an agenda that could serve today's policy-makers in formulating strategic, targeted and effective responses to the challenges felt by democracies across the globe.

Through six regional policy dialogues, held respectively in Bogotá, Dakar, Dili, Dubai, Stockholm and San Francisco, with the participation of over 200 institutions and strategic partnerships with the Bertelsmann Stiftung, the International Institute for Democracy and Electoral Assistance (International IDEA) and leading regional think tanks, this collective and integrative exercise brought to light **seven global drivers of democracy** – seven phenomena that are pushing and pulling on democratic development in all regions of the world, and that should inform the elaboration of policies and programmes concerned with the future of democracy. They are presented in the following sections, together with a few others that, while falling short of global influence, bear particular relevance in certain regions of the globe.

WLA-CdM Members, partners and guests put their heads together and drew on their vast experience of successful and insightful democratic policy-making, as well as examples of

¹ The *Third Wave of Democracy* is the term coined by Samuel P. Huntington to refer to the series of democratic transitions that took place in Latin America, Asia Pacific, Eastern Europe and sub-Saharan Africa in the last two decades of the 20th century.

transformative practices from around the world, to formulate a set of **propositions** for the way forward. These are intended to inspire and guide policy makers and democracy practitioners around the world in devising policies and programmes that will better enable democracy to meet the expectations and needs of all citizens, preserve their freedom and dignity and secure a sustainable democratic future for generations to come.

2. Global Drivers of Democracy

The global drivers of democracy – underlying phenomena that will create more or less favorable conditions for democratic development around the world - were identified through a three-step process. Regional working groups first met in Florence in 2014 to draw a portrait of democracy, its challenges and opportunities in each region. Then, analytical reports were produced on three aspects of development in each region, namely *People and communities, Business and the Economy*, and *Resources and Ecosystems*, assessing each of them from the democratic lenses of *Values and Institutions, Access and Inclusiveness*, and *Management and Policies*. Finally, the reports served as the bases for discussions in regional roundtables with WLA-CdM Members, experts and policy makers.

The drivers presented in this section are, therefore, the result of a wide analytical and consultative process. In all regions, albeit in different ways, they were identified as determinant push-and-pull factors that will create opportunities for democracy to flourish, condition its evolution, or present obstacles for its furtherance. A few additional factors, deemed primordial in certain regions but less determinant in others, are also presented in the following section.

1. Inequalities and dynamics of exclusion will put growing pressure on the world's political systems. Unequal access to wealth, employment, social services and decision-making structures, often with accompanying poverty and systemic discrimination, will continue to drive a wedge between large groups of citizens and those whom they perceive to be political elites who do not represent them. In many regions, a highly interconnected and well-trained middle class, increasingly distrustful of politicians, will become more vehement in its demands for public services, wealth redistribution and government accountability.

Identity-based exclusion in the economic, social and political realms will also continue to generate demands for participation that will increasingly come to clash with a small yet influential number of strident, intolerant and polarizing voices accentuating ethnic, religious, linguistic, gender-based or sexual differences.

"It is not possible to develop any kind of stable democracy if there is a steep polarization between the haves and the have-nots" Prime Minister Sadig Al-Mahdi, "Democracy and Human Rights in Decline?" Policy Dialogue, Florence, November 2014

2. **Corruption**, in all its forms, will hamper the proper functioning of democratic institutions around the world. In some regions, corrupt elites will use their financial resources and patronage networks to manipulate mass media, influence elections and steer public resources towards their own interests. In others, corruption related to organized crime, including drug-related organized crime, will feed informal economies, hamper the exercise of judicial power and endanger public safety. If undetected, corruption will distort the ability of democratic institutions to govern in the best interest of all citizens; and if it continues unchecked, it will deepen the crisis of representation and may lead to the instability of entire democratic systems.

"There is a correlation between level of corruption and peace in any given country. Low level corruption has little effect on peace while 'once a certain threshold is reached even a small increase in corruption can result in a large decrease in peace.' Severe measures by way of legislation must be introduced to discourage businesses and public servants to indulge in corruption." President Cassam Uteem, in his response to the Africa Roundtable Conclusions, 16 June 2016 3. Urbanization and the growth of megacities will bring about an inevitable transformation of democratic practices. Cities offer a privileged space for interactive relationships between citizens and political representatives; they make it relatively easier for residents to become involved in election campaigns, turn out for civil protests, sign petitions, join interest groups and engage in political advocacy. Urban industrial and technological clusters often make cities a breeding ground for creative social practices with transformational potential. But cities are also a space where inequalities come clashing and marginalized groups can easily fall prey to organized crime. When the urban population grows faster than the economy can absorb, the emergence of metropolitan areas with large slums and deprived suburbs poses additional challenges. Ensuring that democratic institutions, both national and local, are adequately resourced and mandated to face these situations will be a key challenge.

"Segregation and sense of belonging, democracy and exclusion, opportunities and discrimination, innovation and marginalization, creativity and vulnerability, living together and hostility: all of that combines and gains substance in the daily life of millions of people that live in cities. It is in the streets and squares of the cities, in the flats and schools, in shops, offices, cultural centres or hospitals, where abstract concepts like inclusion, cohesion and intercultural relations gain meaning and are put to the test.".

WLA-CdM report on Local Government for Shared Societies, 2015, p. 28

4. Migration and refugee flows will bring to the forefront of the political agenda issues related to the social and political rights of non-citizens and non-residents. As the world is confronted with an unprecedented number of refugees, IDPs and forced migrants, affecting all regions as source, transit or destination countries, global and national institutions will continue to struggle to find adequate responses. Lifting barriers to inclusion for migrants and refugees - related to their legal status, housing conditions, access to education and employment - while fighting xenophobic and discriminatory practices and ideologies, will require strong political leadership and a strong commitment to the principles of Shared Societies on the part of political actors at all levels.

"States must be able to develop more mature policies on migration as a way to strengthen migration rights" President Danilo Turk at the roundtable on "An Inclusive Approach to Migration Management: The Way Forward to the Global Compact", UN Headquarters, March 2018

5. Demographic pressures will bring to the political agenda issues of inter-generational equity and put the representative component of democracy under strain, in different ways in different regions. In the developing world, rapid demographic growth will further enlarge an already young population who remains largely excluded from political institutions and processes. The marginalization of youth from social and economic structures, with high rates of youth unemployment, will also contribute to their sense of political exclusion. Responding to youth demands for inclusion will be essential to prevent them from falling prey to organized crime, rebel groups, terrorist or other extremist ideologies that pose threats to democracy.

> The youth should not be conceived as the leaders of tomorrow. They should be the leaders of today. President Joyce Banda, Next Generation Democracy Roundtable – Sub-Saharan Africa, Senegal, 21-22 April 2016

In the developed world, an ageing population and a corresponding drop in the old-age support rate will put pressure on state resources and social systems. It will also raise issues related to the capacity of younger generations, outnumbered at the polls, to effectively steer public policies that will impact them for much longer than they will impact older generations.

As the average age of voters rises and their average remaining lifetime becomes shorter, they may be more willing to shift a greater burden onto future generations. Dr. Stefan Wurster, political scientist at Ruprecht-Karls-University Heidelberg, interviewed by WLA-CdM's Next Generation Democracy partner BTI on 8 April 2015

6. Environmental degradation and climate change will intensify competition for natural resources, including access to clean water and fertile land, in ways that will disproportionately affect the world's most impoverished communities. It will force large groups of citizens to flee their homes, require new or increased public services (eg. health), and exacerbate existing dynamics of conflict for access to natural resources. Even in parts of the world least directly affected by environmental degradation, growing environmental concerns among citizens will push environmental issues higher on the political agenda, requiring increased political attention and global leadership.

"It is possible to reduce poverty and at the same time to reduce the climate risk. But you need to have the courage to make bold decisions." President Felipe Calderón, "Democracy and Human Rights in Decline?" Policy Dialogue, Florence, November 2014

7. New technologies and social media will continue to transform the way democracy and governance are practiced, bringing about both challenges and opportunities. On the first hand, they will provide new tools to increase transparency, give citizens easier access to more information, and improve the effectiveness of accountability mechanisms overall. They can also offer new platforms for citizen engagement and participation, thereby helping to bridge the gaps left open by a broken representative link. On the other hand, the joint effects of online anonymousness, zero-cost publishing and pay-per-click business models have favored the propagation of fake news, hate speech, extremist and polarizing ideas that will continue to threaten the integrity of democratic processes and call for new governance solutions. Content algorithms are also creating echo chambers that push citizens away from healthy political debates into ideological one-sidedness; and, in some authoritarian contexts, the increasing use of censorship filters is both reducing the potential for social media to serve as an alternative outlet for free speech and creating new opportunities for digital surveillance.

"The youth can renew democracy through new technologies" Former Minister of Constitutional Affairs of South Africa, Roelf Meyer, Africa Roundtable

3. Regional Drivers

In addition to these global drivers, a number of additional factors are also at play in particular regions, and should be taken into consideration when looking into future democratic development in those regions.

• In Africa, a deteriorated security environment and entrenched conflict dynamics in several countries, particularly in West, Central and East Africa, will continue to hamper democratic development, economic growth and the provision of public services to large segments of the population. Elections-related violence and political intimidation, particularly by incumbent politicians, will continue to challenge the independence and efficiency of democratic institutions, while insufficient administrative deployment will make it difficult to involve all citizens – particularly those living in remote areas – in building shared democratic societies. The leadership of the African Union, supported by strong regional economic communities, will be the continent's best asset to define and promote regional answers to these challenges.

- In the Americas, exacerbated presidentialism in numerous countries will continue to produce political debates driven by politicians' personalities and charisma, rather than sound consideration of ideological views. Personality-driven politics will constitute a breeding ground for populism which, combined with insufficiently regulated political finance and media monopolies, will pose a multi-faceted challenge to the consolidation of democracies in which citizens are given a fair choice between multiple, nuanced and debated policy options.
- In Asia, continued economic growth and the increasing integration of the region in global networks will create pressures for political change. A growing middle-class is likely to demand more personal freedoms and political inclusion. As the world's major labor exporting region, Asia is increasingly exposed to more open systems and ideas. In this context, authoritarian regimes also face Huntington's performance dilemma, wherein the inability to continue to produce staggering economic growth rates creates dissatisfaction among people, which can make both the rulers and the political system lose legitimacy.
- In **MENA**, several deep-rooted national, religious and cross-border conflicts, including the Arab-Israeli conflict, the war in Syria and ongoing in-fighting in Yemen and Libya, will put **security, stability, peace-building and reconstruction** on top of the political agenda for the foreseeable future, with demands for more open, transparent and inclusive governance likely to be taking a back seat in most countries. Democratic reforms will be limited to a handful of individual countries, who will continue to navigate cautiously the uncharted waters of reconciling modern democracy with political islam, and expanding citizens' participation in societies traditionally dominated by strong elites.
- In **Post-Soviet Eurasia**, the projection of Russia's influence in the region will continue to embolden leaders in several countries to strengthen their hold on power by imposing a **shrinking space for civil society**. The scope of activity allowed to independent NGOs is increasingly being restricted, while a state-sanctioned and ultimately state-directed surrogate civil society is simultaneously being created through the use of targeted support. This will pose new limits to the possibilities for pro-democratic forces to assert themselves, make their voices heard and grow in much of the region.
- In Wider Europe, a particularly acute sense of distrust between citizens and politicians will give impetus to citizen demands for direct democracy. At the same time, an increasingly complex policy environment particularly in the European Union, where multiple actors and layers of competence stretch policy-making processes beyond the understanding of most citizens makes it increasingly difficult for citizens to form informed and balanced opinions on policy matters, making them vulnerable to propaganda and mass media manipulation. Balancing these two forces will be a major challenge for politicians and policy makers in coming years.

4. Propositions to 2030

Having identified major drivers of democracy, the six regional policy dialogues held in Bogotá, Dakar, Dili, Dubai, Stockholm and San Francisco also provided opportunities to identify, through a collective reflection among WLA-CdM Members, experts and partners, a series of propositions to guide democratic development efforts from now to 2030. The following paragraphs present a set of thirteen (13) propositions, grouped into three main categories.

Firstly, propositions related to **institution building** were formulated. Going beyond the fundamental democratic institution-building processes on which most of the world's attention was centered in the last two decades – namely electoral and constitution-building processes -, the propositions shift the focus towards other institutions considered essential for the functioning of healthy, stable democracies: political parties, judicial systems, accountability mechanisms and public administrations.

Secondly, propositions were formulated in relation to **inclusion**. They reflect a growing understanding among political leaders, policy makers and experts of the importance of creating political systems that favor the development of Shared Societies - societies in which every citizen has a sense of belonging and responsibility, free from dynamics of exclusion, inter-group tensions and conflict. The propositions invite actions aimed at redressing political processes that are flawed in that respect, and creating political space for excluded groups.

Finally, a handful of propositions bring forward **transformative approaches to democracy**, building on examples of best practices that have been successfully implemented in certain parts of the world.

Propositions on institution building

1. Help political parties function as an effective link between citizens and institutions

Supporting the consolidation of platform-based, inclusive, transparent and accountable political parties can go a long way to fix the broken link of representation. If political parties are able to act as genuine mediators between governments and citizens, they can help boost citizen confidence in democratic institutions and ensure that democratic institutions deliver benefits for all. For this, political parties need to be articulated around clear policy platforms; actively encourage the participation of all social and identity-based groups, particularly women and youth, in their activities and structures; adopt democratic internal decision-making structures; and be at the forefront of transparency and accountability, particularly in terms of their financing.

2. Bolster judicial independence and capacity

Strengthening the capacity and independence of judicial institutions, and bolstering public understanding of their role, is essential in order to ensure government accountability, address real and perceived inequalities before the law, fight corruption and give all citizens access to justice – all of which would contribute to renewed citizen trust in democratic institutions. This may, in certain circumstances, also require support for the development of alternative or para-judicial institutions, such as ombudspersons and anti-corruption agencies.

3. Strengthen accountability mechanisms

There is broad agreement regarding the need to increase transparency and improve the effectiveness of accountability mechanisms if citizen trust in democratic institutions is to be rebuilt. Access to reliable information is thus a key component of any democratic society, and is the basis of informed consent. It is also a key element in the fight against corruption and abuses by those in power, as well as in efforts to improve the economic, political and social welfare of the whole community. Providing citizens with access to accurate information, paired with the freedom of expression, is the basis for accountability.

4. Increase the capacity of public administration for effective policy implementation

Ensuring that the policies and programmes developed by democratic institutions deliver benefits for all citizens requires their effective implementation. Expanding the reach of public administrations through territorial deployment and/or decentralization, streamlining decisionmaking processes and training civil servants is vital if new policies are to be implemented effectively. Ensuring the participation of citizens from all identity-based groups in consultative processes is also essential in ensuring that the benefits of policies and programmes are distributed fairly. An expanded and effective state presence, particularly in remote areas, can also address local grievances and alienation and, in doing so, help dismantle the support networks that allow terrorist, criminal and drug-trafficking groups to take root, thereby acting as a major deterrent for security threats and corrupt networks.

Propositions on inclusion

5. Level the political playing field

The equality of all citizens in the exercise of political rights is a fundamental tenet of democracy. Countering the influence of factors that tilt the playing field in favor of certain political parties, candidates, influencers and identity-based groups, including access to incumbency privileges, kinship networks, private campaign funding and unregulated access to media, should be contemplated in order to deter further erosions of democracy. Political finance regulation, including provisions for the public funding of political parties and electoral campaigns and the close monitoring of campaign advertising, can play an important role to limit the influence of money in politics.

6. Apply an inclusive approach to fiscal policy and public service delivery

Political inclusion starts with the fair participation of all citizens in the finances of the State, through effective taxation and public service delivery. While experts disagree on which fiscal policy is best suited to redistribute wealth and address inequalities, there is broad agreement that taxation in itself favors political inclusion. Developing taxation schemes to reach into the informal economy would expand both the State's finances and the social and political rights of informal workers. Expanded taxation would also stimulate an increased demand for accountability, ultimately driving improvements in public policies and management.

The growth in state revenues from taxation should be used to finance social services and programmes that meet the needs of all citizens, with particular attention to the most disadvantaged groups. Affirmative measures should be adopted to ensure the inclusion in education, health and social protection programmes of persons in situations of vulnerability and communities suffering from structural discrimination.

7. Create spaces for youth in politics

Social change and political transformation require the inclusion of youth in politics, particularly in countries experiencing a youth bulge and/or high youth unemployment. Supporting youth outreach initiatives on the part of political actors – including political parties, legislatures and electoral institutions – is key, as is the adoption by these actors of internal policies and practices that actively encourage the participation of young people in their institutional structures and decision-making processes. Tackling youth unemployment through skills training, placement programmes and other measures favoring early access to work can also help break the dynamics of exclusion that affect young people around the world and lay the basis for their increased political participation.

8. Educate citizens to build shared societies

Democracy flourishes best in shared societies - societies in which all citizens have a sense of belonging and shared responsibility, shielded from dynamics of social exclusion, inter-group tensions, conflict and violence. Dynamics of identity-based exclusion, including xenophobic responses to migration and refugee flows, can be countered if formal and non-formal education is designed to equip young people with values, knowledge and skills that reflect a diverse and rapidly changing world. Education institutions that foster cross-cultural awareness, inter-religious understanding and inclusion can go a long way to set the bases for the social cohesion, inclusion and engagement that are necessary in a vibrant democratic society.

Propositions on transformative approaches to democracy

9. Support democracy at the local level

Rapid urbanization and a growing divide between urban and rural needs, challenges and opportunities brings the local level of government into the spotlight. The devolution of power to the local level has been shown to strengthen the social contract and help build trust between governments and the people. Engaging citizens in the management of common goods at the local level helps to encourage participation and enhance sustainability. It also offers opportunities to draw on traditional forms of governance that, in various parts of the world, have demonstrated their effectiveness and value as mediators between the modern state and the citizenry.

10. Use and regulate new technologies

Digital technologies have the potential to revolutionize the way democratic governance is practiced. Digital tools can ensure citizens effective access to information, thereby facilitating greater transparency in public administration. They can foster the transparency required to reinforce accountability mechanisms, impose checks on arbitrary action by bureaucrats and politicians, and fight corruption. They can also be used to open new avenues of citizen participation, through direct democracy, policy consultations or other new forms of engagement. But they must also be regulated, to avoid being used by anti-democratic forces as instruments to tilt the political playing field, manipulate public opinion, control political activity and breach other political and civil rights. Individual users of digital technologies often do not understand these risks. Developing global, regional and national solutions to promote the healthy use of new technologies in democratic processes and protect the integrity of political information in social media and online platforms, in joint efforts between political decision-makers, technological leaders and social actors, will be essential to reap the benefits they offer while protecting democracy from the threats they bring about.

11. Strengthen regional cooperation on the global drivers of democracy

Many of the phenomena identified as global threats to democracy reflect dynamics that transcend the boundaries of any individual nation. Corruption networks, migratory flows, environmental degradation and climate change, and the influence of new technologies are all global phenomena that no country can face alone. Regional cooperation in these areas will be instrumental to devise effective responses to the pressures they will put on democratic systems. Addressing these issues through a democratic lens, with an inclusive and participatory regional approach, will be essential to mitigate their negative impacts and leverage the potential opportunities that they offer.

12. Break down barriers between democracy support and other communities of practice

The drivers of democracy identified in this exercise are mostly external to political systems. Understanding and influencing them, as well as their impacts on democratic systems, will require that expertise in democracy building be complemented with expertise in fields as varied as economics, justice, migration, urban planning, environmental science and information and communication technology. The effective implementation of the Paris Agreement on climate change, for instance, bears direct relevance to a global driver of democracy, yet falls largely outside the work of most democracy support organizations. The same goes for free trade agreements and economic integration schemes, whose relevance is indisputable in addressing root causes of migration flows. Addressing inequalities and dynamics of exclusion that go beyond the political dimension will require that democratic values and principles underpin all development efforts.

13. Be relentless in supporting beacons of democratic hope in countries and regions where prospects for large-scale democratic reform are gloomy

Neither democracy nor the willingness to engage in democratic reform can be imposed from the outside – but home-grown seeds of democratic change can be supported from the outside. In many countries and regions, where large-scale democratic reform is not a short-term possibility, external democracy support actors should focus on identifying and supporting incipient democratic practices, actors and ideas, to take advantage of whatever windows of opportunity present themselves: engage and empower civil society actors, and support government-led reforms in other areas that may have a positive impact on civil and political rights. Strengthening regional communities of practice in democracy-related fields can also go a long way, particularly in countries weary of foreign intervention.

The **Next Generation Democracy** project was conducted in 2015-2018 by the <u>World Leadership Alliance-Club de Madrid</u> (WLA-CdM), in strategic partnership with the <u>Bertelsmann Stiftung</u> and the International Institute for Democracy and Electoral Assistance (<u>International IDEA</u>), and with the participation of over 200 academic institutions, governmental and inter-governmental agencies, think tanks and civil society groups. The views expressed in this document have been formulated by the WLA-CdM and do not necessarily represent the opinions of partners.