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# How the United States Supports Democratic Development Overseas

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by Keith Schulz

*This article reviews United States democracy promotion efforts, and identifies the different governmental and non-governmental bodies involved in these efforts. The article focuses specifically on the efforts of the United States Agency for International Development (USAID), the U.S. Government's primary foreign assistance agency, which has been working in the area of democracy and governance assistance for the past three decades. Finally, the article will look at one specific area of democracy and governance assistance – legislative strengthening – as an example of the specific methods and approaches by which USAID implements its democracy and governance assistance.*

In Canada, the majority of democracy promotion funds are currently channeled through the Canadian International Development Agency (CIDA).<sup>1</sup> By contrast, a large number of different departments and agencies within the United States government, and non-governmental organizations outside of the government, contribute to U.S. democracy promotion efforts. This creates a complex, and sometimes confusing and overlapping mandate, among the different departments, agencies and organizations involved. This was not always the case. United States support for democratic development began in earnest more than three decades ago, first in certain countries in Latin America and then to support democratic transitions in Eastern Europe and the former Soviet Union following the collapse of communism. These early efforts were modest in scope and objectives. U.S. Government democracy assistance funding in 1990 was little more than \$100 million. Today it is well over \$1 billion per year with a large percentage of that funding now going to democracy assistance efforts in the Middle East and Asia.

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## Democracy Assistance goes Mainstream

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Under the administration of President George W. Bush, the United States made the support of freedom and democracy overseas a central foreign policy focus. In his Second Inaugural address, President Bush announced that “it is the policy of the United States to seek and support the growth of democratic movements and institutions in every nation and culture, with the ultimate goal of ending tyranny in our world.”<sup>2</sup>

The Bush Administration views democracy assistance as a key element of its strategy to defeat terrorism. The Administration’s *Strategy for Winning the War on Terrorism* links inequities in political participation and the lack of basic freedoms as a major cause of volatility leading to terrorism. By promoting basic human rights, freedom of speech, religion, assembly, press, an independent judiciary and other democratic rights, the United States can help address some of the key issues within countries that can breed discontent and lead to terrorism.<sup>3</sup>

There is, however, no one address within the United States Government for democracy and governance programs. One recent study of these groups and organizations identified over 20 such organizations currently operating in the democracy promotion field.<sup>4</sup> This number does not include the large number of for-profit consulting firms and professional associations that receive

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funding from U.S. governmental and non-governmental sources to implement democracy programs overseas.

### **Diversity of Democracy Assistance Providers**

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The United States Agency for International Development (USAID) plays a major role within the U.S. Government in supporting democratic development and good governance overseas. USAID has spent well over \$9 billion over the past two decades to promote democratic governance in more than 100 countries. One of USAID's four overarching goals is *Building sustainable democracies*. USAID provides over \$1 billion in annual funding for democracy and governance programs, the largest funder of such efforts within the U.S. Government.

The Department of State is also active in democracy promotion efforts overseas. The Bureau for Democracy, Human Rights and Labor (DRL) within the State Department manages an annual portfolio of approximately \$75 million for human rights and democracy programs. The Office of the Middle East Partnership Initiative (MEPI), established in 2002 within the State Department's Bureau of Near East Affairs, has funded more than \$300 million of programs that support political, educational, economic and women's rights reform in the Middle East region.

The Department of Justice promotes the rule of law in foreign countries through its International Criminal Investigative Training Assistance Program (ICITAP). ICITAP's mission is to serve as the source of support for U.S. criminal justice and foreign policy goals by assisting foreign government in developing the capacity to provide professional law enforcement services based on democratic principles and respect for human rights.

The National Endowment for Democracy (NED) was created in 1983 as a private, nonprofit organization to strengthen democratic institutions around the world. The NED receives an annual appropriation of over \$ 70 million from Congress and is governed by an independent, nonpartisan board of directors. The NED provides direct grants to support pro-democracy NGOs and civil society organization in Africa, Asia, Central and Eastern Europe, Latin America, the Middle East, and the former Soviet Union. The NED also provides core funding to four U.S. NGOs involved in democracy work – the National Democratic Institute (NDI), the International Republican Institute (IRI), the American Center for International Labor Solidarity, and the Center for International Private Enterprise. Both NDI and IRI are associated with their respective political parties and work primarily to strengthen political parties and processes in a number of different countries.

A relatively new actor in democracy promotion efforts is the United States Congress. In 2005, the House of Representatives created the House Democracy Assistance Commission to promote strong and effective democratic legislatures in many different parts of the globe. This non-partisan Commission is made of up twenty members of the House and is chaired by Representative David Price of North Carolina. Representative David Dreier of California is the ranking minority member of the Commission.

The Commission currently has 12 country partners – Afghanistan, Colombia, East Timor, Georgia, Haiti, Indonesia, Kenya, Lebanon, Liberia, Macedonia, Mongolia and Ukraine. The Commission provides technical expertise to enhance accountability, transparency, legislative independence, and government oversight in the legislatures of these countries through peer-to-peer interactions between Members, officers, and staff of the House of Representatives and Congressional support agencies and members and staff of partner parliaments.

Another relatively new organization within the U.S. Government that supports democratic and economic development overseas is the Millennium Challenge Corporation (MCC), created in 2004. It is designed to provide direct foreign aid and budget support to countries that demonstrate progress on democratic and economic reform. The MCC rewards governments that perform well on measurements of democratic and economic development by making substantial sums of money available to those countries and giving those countries much of the authority for implementing an agreed upon reform program.

### **USAID's Approach to Democracy and Governance**

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USAID defines its democracy and governance programs as "technical assistance and other support to strengthen capacity of reform-minded governments, nongovernmental actors, and/or citizens in order to develop and support democratic states and institutions that are responsive and accountable to citizens."<sup>5</sup> USAID's democracy and governance framework focuses on four key dimensions of democratic development:

- Promoting Justice and Human Rights through the Rule of Law
- Strengthening the Institutions of Democratic and Accountable Governance
- Expanding Political Freedom and Competition
- Engaging Society through the Voice, Advocacy, and Participation of Citizens

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A review of USAID funded programs from 1990 through 2003 indicates that the largest percentage of funding went to strengthening civil society, followed by governance programs, rule of law, and elections and political processes.

USAID implements its democracy and governance programs primarily through a network of field missions and staff in over 80 countries. Democracy programs in these countries are normally designed and managed by experienced democracy officers based on their knowledge, experience, and relationships in their particular country. These programs are implemented by a wide range of U.S., international, and local organizations that are often based in-country and provide long-term, continuous support and assistance to citizens, institutions, and organizations engaged in democratic reform and transition.

The Office of Democracy and Governance, established in 1994, serves as USAID's focal point for democratic development. The Office of Democracy and Governance provides technical leadership, research and analysis, and training on democratization trends and practices and conducts assessments and evaluations of democracy and governance programs in order to improve the effectiveness of USAID democracy assistance.

The Office of Democracy and Governance has developed a framework for assessing and designing democracy and governance strategies in emerging democracies.<sup>6</sup> This strategic assessment framework provides a political analysis of the country which enables USAID to design democracy and governance programs that are specifically targeted toward assisting that country in addressing the key political and developmental challenges in its transition to and consolidation of democracy. The core of the framework is to examine five key elements or variables of democratic development as follows:

- Consensus;
- Rule of Law;
- Competition;
- Inclusion; and
- Good Governance.

By analyzing these key variables, and by defining general democratic goals and objectives, USAID is able to develop unique strategies by which to design programs and approaches that effectively utilize USAID resources to achieve those democratic goals and objectives.

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## Evaluating the Impact

USAID recently commissioned an outside, independent study of the impact of U.S. democracy assistance on democracy building worldwide. The study, entitled *Effects of US Foreign Assistance on Democracy Building*, was conducted by Vanderbilt University and the University of Pittsburgh. The study found measurable impacts on the rate of democratization in the world from 1990 through 2003, using Freedom House and other measures of democratization, as a result of USAID democracy assistance efforts.<sup>7</sup> In its final report the committee said:

How much of this growth in democracy world-wide has been the result of U.S. foreign assistance? The study found consistent and clear positive impacts of foreign assistance on democratization.... Using the most widely used measures of democracy ...it was determined that USAID Democracy and Governance obligations have a significant positive impact on democracy .... Spending on the promotion of democracy, in the period 1990-2003, helped to increase democracy above the levels that would have been achieved based on all other factors that could reasonably be expected to have mattered.<sup>8</sup>

The study also found that, in addition to the positive impact of overall DG assistance on overall democratic development, certain sub-sectoral DG assistance programs also had positive impact on their corresponding sub-sector indicators. Specifically, USAID programs to develop media, civil society and elections and political processes had a positive impact, respectively, on the indicators measuring the level of development of media, civil society, and elections.

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## Strengthening Parliaments and Legislatures

USAID is especially active in the area of legislative strengthening and is the lead agency within the U.S. Government in this field. It currently sponsors, or has recently sponsored, legislative strengthening activities in over 60 countries. During the past 25 years, USAID has allocated over \$235,000,000 for the purpose of assisting legislatures in countries making the transition from authoritarian to democratic rule to more effectively perform their fundamental tasks of representation, lawmaking, and oversight.

USAID delivers the bulk of its legislative strengthening assistance through U.S.-based implementing organizations or through local organizations in the countries receiving assistance. These organizations work directly with members and staff of parliaments and legislatures in newly democratic countries to assist those institutions



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to become more effective and efficient through a mix of technical assistance, exposure to comparative practices, skills enhancement and training, and the development of legislative and information technologies. Legislative strengthening programs are normally designed to achieve the following objectives:

- Building support for democratic reform within a legislature
- Increasing representation of citizens
- Improving technical capacity in policy and lawmaking
- Enhancing oversight of the executive branch
- Ensuring sound management and adequate infrastructure

USAID's Office of Democracy and Governance provides technical assistance, guidance, training, and advice on legislative strengthening activities and strategies. The Office publishes various technical publications concerning legislative strengthening<sup>9</sup> and has sponsored two international conferences on legislative strengthening.

Legislative strengthening programs have produced significant results in a number of countries. For example, the Frost Task Force program in the early 1990's was targeted at strengthening the new democratic parliaments in Eastern Europe. This program introduced information systems, increased staff capacity, and improved legislative infrastructure and helped to modernize and transform many of those legislative institutions from authoritarian model rubber-stamp institutions to active, more representative, democratic institutions. This assistance, implemented by the Congressional Research Service, was especially successful in helping to create stronger legislative institutions in Poland, Hungary and the Czech Republic.

A specific example of how USAID's legislative strengthening assistance actually works can be found in Niger. Assistance in that country focused on improving committee processes and committee hearings and increasing public input and participation in the legislative and policy-making process. USAID assistance supported a country-wide public hearing process on the topic of decentralization and local government reform. Over 30 town hall meetings were held, attended by a total of approximately 15,000 people. The input provided through these town hall meetings resulted in significant changes by the National Assembly to the government's decentralization plan.

In Mozambique, USAID assistance to the Mozambique National Assembly in the late 1990's focused on improving the quality of policy research and analysis

available to members of the National Assembly. Partly as a result of these efforts, the number of legislative initiatives emanating from within the National Assembly as a percentage of overall legislation enacted increased, demonstrating increasing autonomy and effectiveness in lawmaking. Similarly, the percentage of draft laws proposed by the executive into which the National Assembly provided substantive input increased from 50% in 1996 to 100% in 1999 and 2000; in other words, every piece of legislation proposed by the executive received serious scrutiny from the National Assembly, thereby again demonstrating increasing autonomy and effectiveness in lawmaking.

USAID legislative strengthening programs are unique in that they provide long-term, hands on technical assistance and training to legislative institutions. Evaluations of past legislative assistance programs have found that although programs like the Frost Task Force program have had significant impacts on the infrastructure and information needs of legislatures, the programs, in and of themselves, were insufficient to ensure long-term sustainability of program results. These studies concluded that additional long-term technical assistance in the form of a broader mix of activities including training for members and staff, expert advice on legislative practice and procedures, policy reform, and linkages to other development programs and activities, among others, are necessary to sustain long-term democratic reforms and legislative effectiveness.

In addition to increasing the capacity of legislative institutions, USAID programs are also increasingly focusing on improving the role and effectiveness of the broader legislative community in the legislative process. Consequently, legislative strengthening assistance often includes increasing the ability of advocacy groups to participate in legislative proceedings, broadening citizen access to and interaction with the legislature, improving media coverage of legislative proceedings, and enhancing the capacity of think tanks and academic institutions to provide in-depth information and policy analysis in the legislative process.

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## Conclusion

The Bush Administration's request for democracy promotion funding in Fiscal Year 2008 is over \$1.5 billion. It is expected that future U.S. administrations will also make the promotion of democracy and good governance overseas a critical element of U.S. foreign policy. Whether those administrations will support these policies with the same level of funding remains to be seen.

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## Notes

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1. *Advancing Canada's Role in International Support for Democratic Development*, Report of the Standing Committee on Foreign Affairs and International Development, July 2007.
  2. Second Inaugural address, January 20, 2005:  
<http://www.whitehouse.gov/news/releases/2005/01/print/20050120-1.html>
  3. White House release of updated strategy, *National Strategy for Combating Terrorism*, September 5, 2006 at:  
<http://www.whitehouse.gov/nsc/nsct/2006/sectionI.html>
  4. *The Democracy Bureaucracy: The Infrastructure of American Democracy Promotion*, Thomas Melia, A discussion paper prepared for the Princeton Project on National Security Working Group on Global Institutions and Foreign Policy Infrastructure, 2005, see:  
[http://www.wws.princeton.edu/ppns/papers/democracy\\_bureaucracy.pdf](http://www.wws.princeton.edu/ppns/papers/democracy_bureaucracy.pdf)
  5. *At Freedom's Frontiers: A Democracy and Governance Strategic Framework*, USAID, December 2005.
  6. *Conducting a DG Assessment: A Framework for Strategy Development*, USAID, November 2000.
  7. See Finkel, Steven E., Aníbal Pérez-Liñán, and Mitchell A. Seligson, *Effects of U.S. Foreign Assistance on Democracy Building: Results of a Cross-National Quantitative Study*, USAID-University of Pittsburgh-Vanderbilt University, 2006, available at:  
[http://www.usaid.gov/our\\_work/democracy\\_and\\_governance/publications/pdfs/impact\\_of\\_democracy\\_assistance.pdf](http://www.usaid.gov/our_work/democracy_and_governance/publications/pdfs/impact_of_democracy_assistance.pdf). Among the many findings of the study is that USAID democracy assistance has a clear and positive impact on democratic development as measured by leading indicators of democracy. For example, \$10 million of USAID DG funding in a country would produce an increase of one-quarter of a point (.25 units) on the 13-point Freedom House democracy index in a given year, or about a five-fold increase in the amount of democratic change that the average country would otherwise be expected to achieve in any given year.
  8. Id. at Executive Summary, pages 1-3.
  9. See, for example, *Handbook on Legislative Strengthening*, USAID, February 2000.
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