

2018  
**GLOBAL FORUM**  
**Latin America and the Caribbean**



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# Global Forum Latin America and the Caribbean September 26–27, 2018

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# Overview

The speed of human evolution and the resulting changes present a series of challenges that our societies must face. Therefore, as centers of study, research and thought, we feel strongly committed to encouraging the creation of ideas and promotion of new practices, which allow the region's societies to be more inclusive, with greater access to information and knowledge creation.

This initiative's main objective is to promote a space for debate and offer a comprehensive platform for the exchange of ideas, discussion and analysis on the current role of Latin America and the Caribbean in the global arena, as well as that role's implications and challenges.



The process of continual integration in Latin America and the Caribbean and the growing role of the region as a strategic, political and trading partner in today's world are among the topics of unique importance to be discussed.

This effort aims to bring together the main centers of thought dedicated to the study of the region's dynamics to discuss and formulate proposals that contribute to equitable development.

The event took place alongside the Annual Period of the Ordinary Session of the United Nations General Assembly, in New York City on September 26 and 27, 2018, and is aimed toward academics and figures working in the region's political, economic and social fields.



# Forum Overview

The Global Forum on Latin America and the Caribbean was a two-day international conference held in New York, where internationally renowned experts including Heads of States, Ministers of Foreign Relations and senior representatives from regional organizations, distinguished universities and think-tanks held conversations and high-level discussions to analyze the role of Latin America and the Caribbean on the world stage and to target recurring issues and themes in the region.

From September 26 through 27, the first annual Global Forum on Latin America and the Caribbean was held at the Union League Club of Manhattan in NYC. The event was held alongside the 73rd Session of the United Nations General Assembly and was co-organized by the International Institute for Democracy and Electoral Assistance (International IDEA); Fundacion Global Democracia y Desarrollo (FUNGLODE) and its sister institution in the United States, the Global Foundation for Democracy and Development (GFDD); the Institute for Latin America Studies (ILAS) at Columbia University and the United Nations Economic Commission for Latin America and the Caribbean (ECLAC).

Some of the world leaders and regional experts at the event included former Prime Minister of Belgium and current Secretary General of International IDEA Yves Leterme; GFDD/Funglode President and former President of the Dominican Republic Dr. Leonel Fernández; Secretary-General of the Organization of American States (OAS) Luis Almagro as well as former Presidents Vinicio Cerezo from Guatemala and Carlos Mesa from Bolivia. Also participating was Isabel de Saint Malo de Alvarado, Vice President of Panama, and Jorge Castañeda, former Mexican Foreign Minister.

The Forum was broken down into six different panel discussions, each featuring keynote speakers a special presentation and interactive debates with participating distinguished leaders and experts. The panels concluded with a question-and-answer session with the audience.

Panelists and presenters offered several recommendations, unanimously suggesting the need for a more unified Latin American and Caribbean region in order to tackle the democratic and economic instabilities of today and the future.



# Opening Remarks

The Forum kicked off on Wednesday, September 26. Executive Director of GFDD Natasha Despotovic opened the Forum, spoke about the event's importance for promoting regional dialogue and thanked the supporting institutions that made the gathering possible.

International IDEA's Secretary-General and former Prime Minister of Belgium Yves Leterme kicked off the two-day event with opening remarks. Leterme welcomed the distinguished panelists and audience members and thanked them for participating in the Forum.

Secretary-General Leterme's introduction reflected his passion for democracy and International IDEA's background, purpose and accomplishments. He mentioned that the organization was created following the Cold War. He shared that the mission of International IDEA, an intergovernmental institution, is to promote and strengthen democracy worldwide.

Secretary-General Leterme highlighted that International IDEA has 31 member states that represent a diversity of size and style of governance. They work together to support democracy and development throughout the world through research, publications and forums where ideas are exchanged. The group does much of this work in Latin America.

He pointed to the challenges faced by democracy noting the rise of nationalism and identity politics. He also spoke about economic development and globalization; the difficulties for citizens to see how they play a role in governance; the role of social media in globalization and measuring the strengths and weaknesses of democratic governance.

In regards to Latin America and the Caribbean, the Secretary-General stated that the regional dynamics of Latin America have been underdeveloped due to factors involving inequities that lead to corruption, as well as the nexus between the criminal and political spheres.

The leader of IDEA found that in recent decades, although Latin America developed and grew rapidly, achieving inclusive socioeconomic development has proven difficult. In other words, opportunities for the lower and middle classes have not met the gains made by the upper class.

Following Leterme's remarks, former Dominican Republic President Dr. Leonel Fernández noted the importance of socioeconomic dynamics in Latin America. President Fernández stressed the need to continue to strengthen dialogue in the region, which was precisely the goal of the Global Forum on Latin America and the Caribbean 2018.

President Fernández provided an important historical context to the issues affecting the region. In the last 40 years the region has experienced various ebbs and flows of economic performance and democratic stability. A time of great stability and prosperity took place in the early 21<sup>st</sup> century, which the President referred to as the "Golden Age." Due to high commodity prices, the region experienced great economic growth and countries were able to carry out ambitious social welfare programs.

But, today, the Golden Age is over. As a result of faltering Chinese demand for natural resources and because of global political crises, in the last five years the region has experienced economic stagnation.

The President's concluding remarks focused on finding the right tools to strengthen democracies and improve the region's global influence and overall development. He prepared the audience for the engaging and dynamic panel discussions that were to follow in the next two days of the Global Forum.

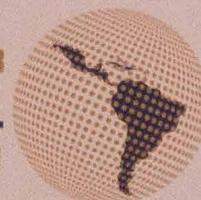
*“The difference between growth in 2107 and 2018 is that in 2017 there is a synchrony ... there were 140 of the 193 countries in the world that grew at the same time. In 2018 there was no synchrony ... the only country that actually has more pronounced growth than the other economies is the United States. Our projections for the United States are 2.8 for this year, though they might reach 3 [percent] ...”*

*“... The only country that grew last year in foreign direct investment in the whole region was the Dominican Republic, where it increased 20 percent.”*

**Ms. Alicia Bárcena**  
Executive Secretary of ECLAC



2018  
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América Latina y el Caribe



# Wednesday, September 26, 2018

## Panel 1

### Socioeconomic Perspectives Latin America and the Caribbean

The opening panel at the Global Forum focused on socioeconomic perspectives on Latin America and the Caribbean and was led by Dr. Alicia Bárcena, the Executive Secretary of ECLAC.

The presentation highlighted the financial situation in the region and pointed to a number of macroeconomic concerns. Dr. Bárcena began her presentation by highlighting the need to discuss and reflect on the themes that affect Latin America and the Caribbean such as geopolitics, demographics, technology and climate change.

Executive Secretary Bárcena noted that geopolitics have been highly affected by the Trump Administration in the United States. Demographics are being impacted by migratory changes. The Executive Secretary also hypothesized that, in the global arena, technological advances will lead to greater competition for power. Dr. Bárcena called for collective action to tackle climate change. She noted that lowering gas emissions would be insufficient to combat climate change as Latin America contributes the lowest percentage of total gas emissions among all the world's regions.

Executive Secretary Bárcena stated that South America is the most worrisome part of the region due to high levels of inflation in Argentina. She hypothesized that geopolitical risks, trade tensions and technological advances will cause additional problems. Some examples include the deceleration of China's economy, the United States, growing debt and structural deceleration of the global market, among others.

Privatization and foreign investment were said to be crucial in emerging economies. The Executive Secretary found foreign direct investment (FDI) and private consumerism vital in places like Peru, the Dominican Republic, Mexico, Brazil and Chile. In the case of the Dominican Republic, investments for internal structure and development have helped boost economic growth. In the case of Bolivia, further research into macroeconomic and social progress is needed to analyse how the country has managed the economic sector. In Central America and Mexico remittances from migrants play a huge role in promoting growth. Unlike Mexico and Central America, South America shows the most important investments, especially in exporting of capital. However, the latter remains the most economically fragile region because of economic decline in Argentina, Brazil and Venezuela.





Mr. Luis Piantini

Inequality was found to be hurtful to political and economic development. It also hurts investment, as well as medical and educational outcomes, but it remains unclear to what extent. In 2016, for the first time in the history of Latin America and the Caribbean, inequality decreased. Socioeconomic differences found in the region stem from Latin America and the Caribbean’s colonial times. Since then, the elite-born upper class established a culture for “the privileged,” enforcing and promoting inequality, a mind-set that the region has culturally and psychologically adopted, accepted and continues to practice today.

*“There’s a phrase I like to repeat a lot, and it’s that Latin America has education systems from the 19th century that are taught in schools from the 20th century for young people who are going to live in the 21st century. That’s bad... That has to be changed, because if we want to have the opportunities to exploit the digitalization and technification of the economy, we need to have young people not only with the ability to utilize this, but with the intellectual flexibility to deal with these issues.”*

**Mr. Humberto López**

Key recommendations were to change the region from an export-led economy to an investment-led economy and to encourage earned income personal spending. In addition, “regional globalization” should be promoted. Agreements similar to NAFTA could be regionally productive.

Luis Manuel Piantini, Dominican Ambassador to the World Trade Organization, focused his discussion on Mexico’s success in international trade, naming it the region’s most robust exporter. His suggestions in response to the Executive Secretary’s presentation included the creation of inter-regional trade agreements like MERCOSUR, the Pacific Alliance or CARICOM to mimic Mexico’s trade policies.

These would help form strong regional alliances. Ambassador Piantini mentioned the strong growth of the Dominican Republic.



Mr. Humberto López

The Director of the Economic Development Division at ECLAC, Daniel Titelman, spoke on the economic changes Latin America has undergone in terms of global commerce and how it has impacted the region negatively. Compared to the rest of the world, Latin America and the Caribbean is one of the weakest players in trade. He suggested that further study of economic cycles was needed and discussed how the region can best respond to drastic shocks in the economy. He mentioned that to understand



*Mr. Francisco Rodríguez*

sub-regional diversity would be helpful to find solutions. The Director of the Economic Development Division suggested researching private expenditures and private income and the balance between imports versus exports, among other trade-related topics.

The Chief Economist at Torino Capital, Francisco Rodríguez, focused on Venezuela's economic collapse. Venezuela was described as an exceptional case due to its dependence on oil. Venezuela is facing high levels of poverty because of the sharp fall in oil prices. Venezuela's economic downfall erupted into a political crisis leading to mass migration to neighbouring countries, starvation and human rights abuses.

Humberto López, Director of Strategy and Operations for Latin America and the Caribbean, was very optimistic, highlighting Latin America's successes, particularly in the Dominican Republic. He noted that the region is doing better than ever: poverty has decreased 20 percent, extreme poverty has dropped 17 percent and overall inequality has decreased. In the Dominican Republic alone, poverty has dropped by 25 percent, while the middle class has grown. Based on this case study social mobility is happening and possible in other countries.

The Director of Strategy and Operations for Latin America and the Caribbean, Dr. López, argued that the region needs to reconstruct its fiscal policies, implement educational reforms and take advantage of opportunities available

with China. Dr. López noted that new research published on South America by the World Bank will not include Venezuela's statistics since its drastic economic turbulence makes data collection impossible. He concluded by calling for better study, analysis and monitoring of the economies in Latin America and the Caribbean.

Following the panel discussion, the floor was opened up for questions from the audience. Questions focused on China's economic power and its future in Latin America's economy. The Executive Secretary Dr. Bárcena clarified that while China is the number-one investor in the world, it is not in Latin America. However, China is very interested in Latin America's digital economy and infrastructure – for example, in the creation of trans-border railways across Brazil and Peru. Furthermore, it is important to note that a trade war between China and the United States can affect South America, especially in the metals sector.



*Mr. Daniel Titelman*

Other questions focused on enhancing the quality of education, educational reforms targeting technological development, and policies seeking to prevent economic decline. The Executive Secretary highlighted that 62 percent of students in the region fail to meet basic math, science and writing skills. Dr. Humberto López suggested that educational reforms must improve the quality of education in all schools, especially in low-income communities.



*“At the aggregate level, global growth remains steady. So, we are forecasting the global economy to grow by at least 3 percent per annum until 2020 at least.”*

*“But at the same time the steady sort of global picture is surrounded by a buildup of risks around the outlook, some of which have begun to have direct real impact.”*

***Ms. Dawn Holland***  
*Chief of the Global Economic Monitoring Branch of the  
Development Policy and Analysis Division for the UN*

## Panel 2

### Global Economy Outlook



Panel two began with a presentation from Dr. Dawn Holland, Chief of the Global Economic Monitoring Branch of the Development Policy and Analysis Division for the UN. The discussion focused on the outlook of the global economy. According to Dr. Holland's research there is unevenness in global economic growth leading to high levels of debt and macroeconomic imbalances. Many Latin American countries are being left behind, which poses a threat for eradicating poverty and meeting the 2030 Sustainable Development Goals. In 2016, Africa and Latin America and the Caribbean faced sharp drops in per capita GDP. Dr. Holland noted how this raises an enormous obstacle for poverty reduction, increasing social inclusion and lowering unemployment. Economic weaknesses are putting countries at

risk, in particular those that depend on the economies of the United States and European Union. A certain group of countries, those with one percent per capita growth rates, have been lagging behind for some time. These economies are those that are highly dependent on commodities. A prime example is Venezuela, whose high dependency on oil exportation has led to economic collapse and a political and humanitarian crisis. In other instances, military conflicts are by-products of economic instability and further hurt the economic trajectory.

Threats and global economic risks continue to build as global trade tensions and financial vulnerabilities rise, particular in the area of global food security. It is important to highlight

and avoid potential triggers of financial shocks such as internal and external macroeconomic imbalances, global trade tensions, monetary policy adjustments in rich economies, commodity price shocks and policy disruptions such as Brexit.



*Mr. Mario Báez*

Dr. Mario Baéz, the Chief of Policy and Oversight Coordination Services, Office of the Under-Secretary-General for Management, Department of Management of the United Nations, was the moderator of the second panel. He expressed concern over emerging markets and their role in the global market of the future.

Dr. Adam Posen, President of the Peterson Institute for International Economics (PIIE), argued that contagion is not likely. Data has shown the region has been resilient to repeated economic shocks so inflation in Argentina will probably not spread elsewhere.

Dr. Posen noted that the region should be more concerned about the U.S.-China trade war. He said there are some legitimate concerns by the United States including worries about China's disregard for intellectual property rights, but that the Trump Administration's goals are quite

unrealistic and the overall impact of the trade war will be negative. However, he feels that the approach toward China would be similar even if the Democrats win the house in November. Dr. Posen believes that, for change to happen, things must "get worse in order to get better."

Data shows that a serious downturn in the region is not likely since Latin America and the Caribbean have proved to be resilient. It is more likely that growth rates and productivity continue to decline and investments, available finance and cross border investment will be damaged due to slow global growth rates.

In response to Dr. Baéz's questions, Principal Economist Manager Dr. Robert Woods from the Country Risk Service for Latin America and the Caribbean at the Economist Intelligence Unit (EIU) provided five worst-case scenarios that could dramatically impact emerging markets and the global economy, while noting that the China-U.S. trade wars are the greatest risk to the global economy.



*Mr. Adam Posen*

The first scenario, classified as high impact, is that a U.S.-led bilateral trade war turns global. The second is that contagion spreads to other

emerging markets, which in turn could have a big impact on the global economy. Dr. Woods highlighted the cases of Argentina and Brazil, two emerging markets that have declined rapidly. The third case involved weaker cur-

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*“I am actually quite amazed at most of South America’s resilience over the past years. It seems in many ways a closed system.”*

### *Mr. Adam Posen*

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rencies, slow economic growth and a broad emerging market crisis. The fourth case entails risks that affect emerging markets such as inflation pressure from tariffs. The probability of this happening is low, according to Dr. Woods, but the impact on the global economy would be high. The fifth negative scenario presented was one in which China could suffer from a prolonged economic decline as a result of the financial trade war.

Dr. Dawn Holland noted that contagion can occur only in existing fragile markets enduring financial stress and weakness that can allow for it to creak through. Monitoring oil prices is not an effective way to measure risk since oil prices have not been consistent. Lastly, the China-U.S. trade war can cause major setbacks in the global economy.

The first question raised by Dr. Mario Baéz during the interactive discussion focused on the U.S. economy today and concerns about Latin America and the Caribbean. The three distinguished panelists agreed that the U.S. economy has slowed down, its productivity growth has weakened and anti-immigration sentiment has impacted demographics and the labor force. In addition, all participants suggested the United States will not be performing so strongly for long.

Other questions sought to find explanations for the Argentine crisis, the impact of the November elections in the United States and whether emerging markets will embrace globalization. Dr. Posen argued that the November elections would have an impact on foreign policy trade issues and deregulations through executive order in the energy sector. Dr. Woods suggested that embracing globalization in Latin America has done some countries good, although for some it has been hurtful. Recommendations included the need to embrace globalization while being careful not to get too dependent on high commodity prices. The need to always expect risks and always be bettered prepared to mitigate the problems when confronted was also suggested. Dr. Holland argued that social safety nets must be put in place and then the restructuring of production can take place.



*Mr. Roberto Wood*

*“In 2016 we had continuity in Brazil, we had continuity in Colombia, and we had continuity with the PAN in Mexico. This is no longer the case. In this 2018 scenario we are going to have change in Brazil, we had change in Colombia, and we had change in Mexico.”*

*"And then in 2019 we're going to have another six presidential elections. We're going to have three presidential elections in Central America. We're going to have El Salvador, Panama, and Guatemala. And we're going to have three presidential elections in South America: Argentina, Bolivia, and Uruguay."*

***Mr. Daniel Zovatto***

*International IDEA's Regional Director for Latin America and the Caribbean*



## Panel 3

# Latin America's 2018 Super Election Cycle

International IDEA's Regional Director for Latin America and the Caribbean, Dr. Daniel Zovatto, discussed Latin America's 2018 Super Election Cycle phenomena, highlighting concerns over democracy and corruption in Latin America and the Caribbean in a speech entitled "Electoral Super Cycle 2018." Three of the region's biggest economies will hold some of the 15 elections taking place. Dr. Zovatto said that the outcomes have potential to alter the region's democratic makeup, economy, socioeconomic status and growth rate.

One of the biggest political changes that came from the super electoral cycle was witnessed in Mexico. On July 2018, Andres Manuel López Obrador, leading the left-wing coalition Juntos Haremos Historia (Together We Will Make History), won the 2018 elections and become the first left-wing leader in Mexican history. Dr. Zovatto argued that the election of Lopez Obrador, a populist, is concerning for the future of Mexico and its democratic status. Elections in Brazil, Bolivia and Colombia should also be monitored closely, as they are major economies in the region.



*Mr. José Moya*

Dr. Zovatto discussed campaign trends in the region. Politics and campaigning in Latin America have shifted due to technology, corruption and security challenges. The Odebrecht corruption scandal and the region's high homicide and crime rates have become points of



political leverage during electoral campaigns. Candidates have promised monetary stimulus packages and safety and anti-crime measures as well as anti-corruption reforms to garner support. Social media has played a significant role in reaching the public. It allowed candidates to have a more direct and personal connection to voters. The presence of social media means that even the most inadequate candidate can win if they know how to target the right audience.



*Ms. María Victoria Murillo*

The moderator in this panel was the Director of the Institute for Latin American Studies at Columbia University, Dr. José Moya. The distinguished panelists included Dr. María Victoria Murillo, Professor of Political Science and International Affairs at Columbia University; Dr. Monica Pachón Buitrago, Dean of the University of Rosario in Bogota and Political Science Professor at Columbia University; and Gerardo de Icaza, Director of the Department of Electoral Cooperation and Observation at the Organization of American States.

Dr. María Murillo noted that elections have become tied to economic situations. Electoral processes in Latin America have been affected by high socioeconomic inequality, high crime rates and increasing political polarization. A candidate who promises to improve security conditions and reduce crime is most likely to win. In addition, polarization is now a worldwide phenomena, fueling conflicts between different

groups throughout the region. Polarization has even expanded to social spheres. For example, Catholicism is now being challenged since same-sex marriage and abortion are such significant political topics.

The Dean and Professor at Columbia University, Dr. Monica Pachón, pointed out that the region is facing an electoral and democratic crisis, a result of leaders implementing fast solutions in the interest of satisfying citizens and garnering votes. In doing so, however, the response fails to be adequate or sustainable. Dr. Pachón recommended that, in order to bring an end to the democratic and electoral crisis we need to understand the vicious electoral cycle and focus more on democratic values that would demonstrate that fair elections can and do exist.

The Director of the OAS's Department of Electoral Cooperation and Observation, Gerardo de Icaza, focused on the work of the OAS. The Director was not overly optimistic, highlighting the negative impact of social media and fake news, which has tarnished the reputation of numerous politicians and overall confidence in democracy.



*Ms. Marcela Berland*

In Mexico, more than 140 crimes have targeted politicians. Social media in the country has played a role in hurting democracy, too, since some politicians have used it as a platform to



Ms. Mónica Pachón

sell cheap lies and false promises to the public. These issues not only impact confidence in institutions but also have led people to distrust democracy as a political system. De Icaza argued that, in order for the crisis to end, we must work against growing political polarization by encouraging dialogue.

Marcela Berland, President and CEO of Latin Insights, shared similar views to Gerardo de Icaza regarding the democratic and electoral crisis in the region. She echoed concerns regarding social media, corruption and security. However, she provided nuance, arguing that the issue is not with democracy itself, but with the implementation of democratic processes. She highlighted that no female president is in power nor will be in power following the upcoming elections. Berland concluded by pointing out that the cause of the crisis is not just internal, and that China and the United States have impact on the region's democratic status, too.

During the question and answer portion of the panel, the audience members focused on how democracy and polarization can change political dynamics. Questioners sought explanations for how to restore faith in democracy and leaders.

Dr. Pachón suggested the need to reform the way democracy has been implemented. This requires that political leaders at all levels become more unified. On the other hand, Dr. María Murillo suggested that it is important that politicians not lose the connection with their voters. De Icaza argued that it is crucial to promote dialogue and negotiation between political leaders, citizens, voters and marginalized groups. Dr. Zovatto called for the need to focus on fixing the economy to create stability and quality jobs, combat inequality and put an end to corruption and impunity.



Mr. Gerardo de Icaza

*“What we see from the decade of the 90s and the start of this century is technically improved electoral processes. That is, practically all countries in the region can now logistically, operationally, and financially carry out an election without international support. That was not the reality even a very short time ago.”*

*Mr. Gerardo de Icaza*



*“... In those 40 years there was a great global transformation and a great transformation in Latin America and the Caribbean. How, then, to put into context the region's presence in the global framework, but taking into account those deep realities and transformations at the global and regional level in Latin America and the Caribbean?”*

*“I don't think any other region in the world has the number of institutions betting on both free trade and large-scale integration. We have no coordination between the Caribbean, Central America, South America, the Andean Community, the Southern Cone, etc. Really it's all made intrinsically inoperable.”*

**Mr. Leonel Fernández**  
*Former President of the Dominican Republic*

## Panel 4

# Latin America and the Caribbean on the Global Stage



The final panel of the first day of the Global Forum was chaired by Dr. Leonel Fernández, whose presentation focused on the role of Latin America and the Caribbean on the global stage. President Fernández’s talk focused on the political context of Latin America and the Caribbean and demonstrated how the region’s current political situation is tied to the 2008 financial crisis. Despite the region’s development, Latin America and the Caribbean face high levels of economic and political instability. He called for the creation of a consultation mechanism to coordinate regional policies.

President Fernández stated that “today, the region of Latin American and the Caribbean is being threatened by scientific and technological revolutions, global terrorism, the impact of

the global financial crisis and the strong presence and influence of China.” The region’s development has been slow but nonetheless progressive. Its most noticeable advances were in the 1980s during a wave of democratization and in the 1990s during the implementation of the Washington Consensus, open markets, financial deregulation, globalization, the increase of commodity prices and political and social reforms. The latter era is referred to as the Golden Decade.

The 2008 global economic crisis caused no immediate impact on the region. Instead the effects began to be felt in 2014 when a decrease in economic growth took place. Argentina, Brazil, and Venezuela are prime examples of this late ripple effect. In terms of regional



Mr. Iván C. Rebolledo

issues that all countries are facing. For the region to have a strong presence in the global arena, the Community of Latin American and Caribbean States (CELAC) must be recognized as a regional political representative. All countries must work together and promote human rights, work to confront climate change and enact political reforms.

The panelist for this segment included the Under-Secretary of State for Political Affairs of the U.S. Department of State, Thomas Shannon, and Senior Fellow for Latin America Studies at the Council on Foreign Relations, Dr. Shannon O’Neil.

Under-Secretary of State Shannon stated that the inclusion of Latin America and the Caribbean in the globalized economy is one of the most important concepts of the century.

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*“There is a leadership role that Latin America can play whether it’s Mercosur and the EU agreement, whether it’s the countries that are a part of the new TPP, whether its other agreements that are on the table and ones that might be proposed. I think it’s a leadership role Latin America can play in reinforcing this pillar of the international order but it’s also one that will benefit the countries. So that is something, as I look forward to the coming years – a role that Latin America can play on the global stage.”*

### *Ms. Shannon O’Neil*

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geopolitics, some level of autonomy has been gained, but the shadow of U.S. influence is still strong. The United States is still highly influential in areas such as anti-drug trafficking, democracy, trade, migration and ties with countries such as Iran and China. That being said, Latin America and the Caribbean have slowly expanded relationships with Japan, South Korea, India and China. Today China’s presence has become quite significant, as it is one of the biggest investors in the region. President Fernández called for greater regional cooperation in order to combat recurring is-

The region has proven to be resilient and strong and has demonstrated an ability to unite trade and democracy in pursuit of development. Such gains can go further if countries integrate and focus deeply on trade.

Dr. Shannon O’Neil’s recommendations called for Latin America to remain an advocate and leader in combatting climate change, in addressing the migration and refugee crisis and in promoting and participating in free trade. Dr. O’Neil hypothesized that in two to



*Ms. Shannon O'Neil*

six years it is probable that the United States will not play a major role in multilateral agreements, which will allow Latin America to enhance its economic position. Dr. O'Neil recommended that regional cooperation be enhanced to tackle regional issues. He said that Latin America and the Caribbean nations should go to the UN to admit to the existence of a political crisis in Venezuela.

President Fernández concluded by noting that strong negotiations and dialogue are needed in the region to ensure that democracy is not lost. Regional responses must avoid being aimed at tackling only national agendas. Lastly, reconciliation between marginalized communities and traditional democratic processes remains crucial.



*Mr. Thomas A. Shannon*

*“I would just like to underscore that from my point of view the globalization of our hemisphere and especially the globalization of Latin America and the Caribbean is one of the most important but also one of the most untold stories of the century. And it has profound consequences not only for our own hemisphere but globally.”*

*Mr. Thomas Shannon*

*“We all work in a space where, at the same time, as international global organizations, we may be seen as norm entrepreneurs, developing norms at the global or the regional level; we are also norm custodians, because once these norms have been developed we have the obligation and the mandate . . . to be the custodians of the normative frameworks; and in some cases we can be also the enforcer of some of the implications that are enshrined in these normative frameworks. . . Even if we do not have binding global norms, we have some sort of general overall framework that works as a basis of reference for international action.”*

**Mr. Massimo Tommasoli**

*Permanent Observer for International IDEA to the United Nations*



## Panel 5

# Value of International and Regional Democratic Instruments to Guarantee Sustainable Democracies

Massimo Tommasoli, Permanent Observer for International IDEA to the United Nations, opened the fifth panel as he highlighted the importance of regional organizations. Regional bodies have both a reactive and proactive role in confronting regional dilemmas. Inclusiveness, cooperation at all levels, funding and the creation of strong democratic instruments are needed to strengthen and sustain democracies in the region. The Inter-Parliamentary Union (IPU) was given as an example: its Universal Declaration on Democracy includes the basic definition of international democracy used by the UN. Although there is no global binding normative framework, it works as a basis of reference for international actions.

The panel was composed of International IDEA Secretary-General Yves Leterme, Secretary-General of the OAS Luis Almagro, Secretary-General of the Community of Democracies Thomas Garret and Dr. Christopher Sabatini, Professor of International and Public Policy at Columbia University and Executive Director of Global Americans.

Leterme pointed out that the Universal Declaration of Human Rights (UDHR) as well as other global norms have failed in protecting human rights. Secretary-General Leterme added that different regions face different threats to democracy and human rights. In the Latin America and Caribbean region, challenges to peace and democracy have been headed by political leaders. Existing institutional frameworks for democracy are weak and struggling. Migration is perceived as out of control and threatens the delivery of an inclusive and positive socioeconomic development, while political polarization brings challenges to popular support for democracy.

The Secretary-General noted that populist movements are on the rise: something very concerning as we are currently in the middle of a super electoral cycle. To prepare for such tests to democracy it is important for regional organizations to play a prominent role in advising member states, ensuring transparency, sanctioning and monitoring political institutions and encouraging progress on Sustainable Development Goals, among other roles.





*Mr. Luis Almagro*

In his presentation, Secretary-General Almagro stated that “defending democracies is not only a sovereign issue but also a regional one.” He spoke to the OAS’s role in defending democracy in the region. The OAS has been bottlenecked by the fact that it faces jurisdictional conflicts when intervening in certain countries, he mentioned. The OAS is aware that many countries have solid democratic practices, party systems, freedom of press and other elements of a strong democracy, but it is concerned about abuses in Nicaragua and Venezuela in particular.

Garret noted that his organization stands firmly in support of democracy and believes that it is the most important element, which the regional community must work together to protect. Garret encouraged member states to work with civil society organizations and the COD to support information sharing, voice concerns and promote social inclusion in all sectors of society.

Dr. Sabatini agreed that the normative and institutional foundations of democracy and human rights are at risk. To combat such threats, the region needs an effective and functioning multilateral organization that sets

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*“I believe the instruments we have in the Inter-American system, the instruments that we have in the regional universe for defending and protecting democracy, have a fundamental, preventive, and dissuasive role. They should have to generate commissions so that there are better practices at the level of the functioning of democracy.”*

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### *Mr. Luis Almagro*

forth a “pan-ideological” consensus of what political, human, and democratic standards are. This would entail member states having to surrender some form of sovereignty and develop a consensus around normative values. In addition, multilateral organizations must be capable of observing and monitoring electoral processes in the region.



*Mr. Yves Leterme*

The question and answer portion of this panel focused on the Venezuelan crisis, the main challenges in the Western hemisphere, how the OAS can assist in bringing more power and coordination and how regional organizations can increase their legitimacy in the region.

Professor Sabatini suggested more funding is needed to support electoral standards. Secretary-General Almagro reiterated that the biggest issues for the OAS include corruption, weak institutions, reoccurring human rights violations, the political-criminal nexus and the Venezuelan crisis. Garret stated that recession and lack of inter-regional cooperation in solving issues continues to set back achieving sustainable democracies. Secretary-General Leterme closed the panel by stating that the region needs initiatives that increase support for civil society organizations and empower democratic processes.



Mr. Thomas Garret



Mr. Christopher Sabatini

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*“For a multilateral organization to function effectively in the name of a public good, the country members have to be willing to cede some sovereignty... whether it’s the ability of international organizations to investigate and sanction and even shame governments for human rights abuses and even to be able to allow international election observers to come in and open up and investigate those election standards.”*

*Mr. Christopher Sabatini*

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*“We have to work day by day. Democracy is a permanent process, it's a continuous process. We must keep working to overcome all these circumstances—circumstances that push us or can push us sometimes to the edge of dictatorship or of authoritarianism within political systems.”*

**Mr. Luis Almagro**  
*The Secretary-General of the OAS*

## Panel 6

# Perspectives on Democracy in Latin America and the Caribbean



The Secretary-General of the OAS, Luis Almagro, led the concluding panel of the Global Forum, a segment entitled “Perspectives on Democracy in Latin America and the Caribbean.”

During his presentation Secretary-General Almagro encouraged regional leaders to work with enthusiasm and determination to strengthen democracy in the region. It is crucial for states to act now and stand against criminal human rights violations, he said. Latin America continues to be one of the most unequal regions in the world; it has high levels of crime, severe drug trafficking issues, socioeconomic inequality, weak education outcomes, corruption and one of the worst humanitarian crises in the world. These issues have constantly threatened democracy and have weakened institutional strength.

The Secretary-General concluded by stating, “self interest in politics can get in the way of principles; we must keep working to overcome all

those challenges. Fighting against dictatorship is something obvious, but not many do it. It’s up to us to follow, day to day, the principles of democracy.”



*Mr. Daniel Zovatto*



Mr. Vinicio Cerezo

Almagro shared the stage with a high-level panel featuring President Fernandez; Vinicio Cerezo, former President of Guatemala; and Carlos Mesa, former President of Bolivia. Also participating in the panel discussion were Isabel de Saint Malo de Alvarado, the Vice President of Panama, and Dr. Jorge Castañeda, former Mexican Minister of Foreign Relations. International IDEA's Regional Director for Latin America and the Caribbean, Dr. Daniel Zovatto, moderated the panel on challenges to democracy and human rights.

President Carlos Mesa of Bolivia, like other distinguished leaders, emphasized that democracy has been weakened by polarization. The region is facing an alarming democratic recession, where dictatorship is being dressed up as democracy. The situation calls for a multilateral intervention in the political sector with the help of the OAS, CELAC and the Inter-American Commission on Human Rights (IACHR) as well as other organizations that share the same regard for democratic values.

President Cerezo noted that no democracy is perfect. Democracy does not automatically exist, it must be built from scratch, and when established, consolidated. One major issue in the region, especially in countries like Costa Rica and Guatemala, is that continuity is not possible since president do not have the option to serve two consecutive presidential terms. In Latin America, when a good leader is found

and “positive changes” have been implemented during their tenure, the next elected leader can dissolve what was accomplished. The lack of long-term continuity has affected the region negatively.

*“The first problem of democracy in Latin America is that it was born trying to prevent the return of the military dictatorships and the historical dictatorships. And setting up a set of limits on democratic governments thinking that dictatorship could return. And what they did was create democracies with their hands tied in terms of being able to consolidate and adapt to the times.”*

### Mr. Vinicio Cerezo

Vice President Isabel de Saint Malo de Alvarado found the lack of female leadership in the region worrisome. In the past female leadership played an important role in social development. She also noted that the Latin America and Caribbean region has one of the highest levels of inequality. The Vice President had an optimistic view of the region’s future if and only if democracy responds well to social needs and voter and citizen needs and includes women in the political process.



Mr. Carlos Mesa



*Ms. Isabel de Saint Malo de Alvarado*

Mexico's former Minister of Foreign Relations, Dr. Castañeda, suggested that challenges need to be tackled at regional rather than national levels. The first signs of regional integration are now being witnessed as five Latin American countries brought Venezuela's human rights crimes to an international court. This is an important step in accrediting and increasing the legitimacy of international criminal courts in the region. Furthermore, this can be an appropriate mechanism to combat corruption and impunity in the region.



*Mr. José Castañeda*

President Leonel Fernández reiterated his key points presented earlier, stating that nationalism is being used to as an argument against regional mechanisms. He also mentioned the effect of the global economic crisis on Latin America and the Caribbean, the recent changes in democracy and the socioeconomic needs

and wants of the region's citizens. President Fernández suggested once more that the answer to the democratic crisis in the region is international and regional collaboration. A third-party intervention can be adequate if it has the capacity and legitimacy to provide fair and just solutions.

The questions presented to the final panel focused on the future of the region, including the direction of regional bodies, the role of China and challenges faced in successfully realizing the 2030 agenda.

Former Mexican Minister of Foreign Relations Dr. Jorge Castañeda and President Leonel Fernández both argued that the best solution to regional difficulties is regional assistance from the OAS and other international organizations. President Mesa suggested that realizing the 2030 agenda will require internalizing and respecting the values and principles of human rights. Lastly, Vice President Isabel Saint Malo de Alvarado and President Dr. Leonel Fernández stressed that democracy is the best solution for the region. Implementing democracy in Latin America and the Caribbean means fighting against corruption, eliminating dictatorships and authoritarian regimes, and enforcing equality, human rights, better education, transparency and a stronger region with an even stronger work force.



*Mr. Leonel Fernández*



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**Carlos Mesa**

Former President of Bolivia



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**Thomas Garret**

Secretary General, Community of Democracies



**Vinicio Cerezo**

Former President of Guatemala



**Yves Leterme**

Secretary General, IDEA International

# Concluding Remarks

The two-day-long Global Forum Latin America and the Caribbean drew the participation of representatives from the private and public sector, journalists and members of the media as well as academics from New York City and around the world. The conference contributed to the discussion and exchange of ideas concerning the social, economic and democratic growth of Latin America and the Caribbean region. Recommendations included a regional-integration approach to tackle recurring challenges.



Thank you to our staff.....

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*The event was conducted in both English and Spanish with instant translations.*





# Save the Date!

# September 2019



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Latin America and the Caribbean



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