



International IDEA

Democracy in the making

ANNUAL REPORT

IDEAS FOR DEMOCRACY 1999

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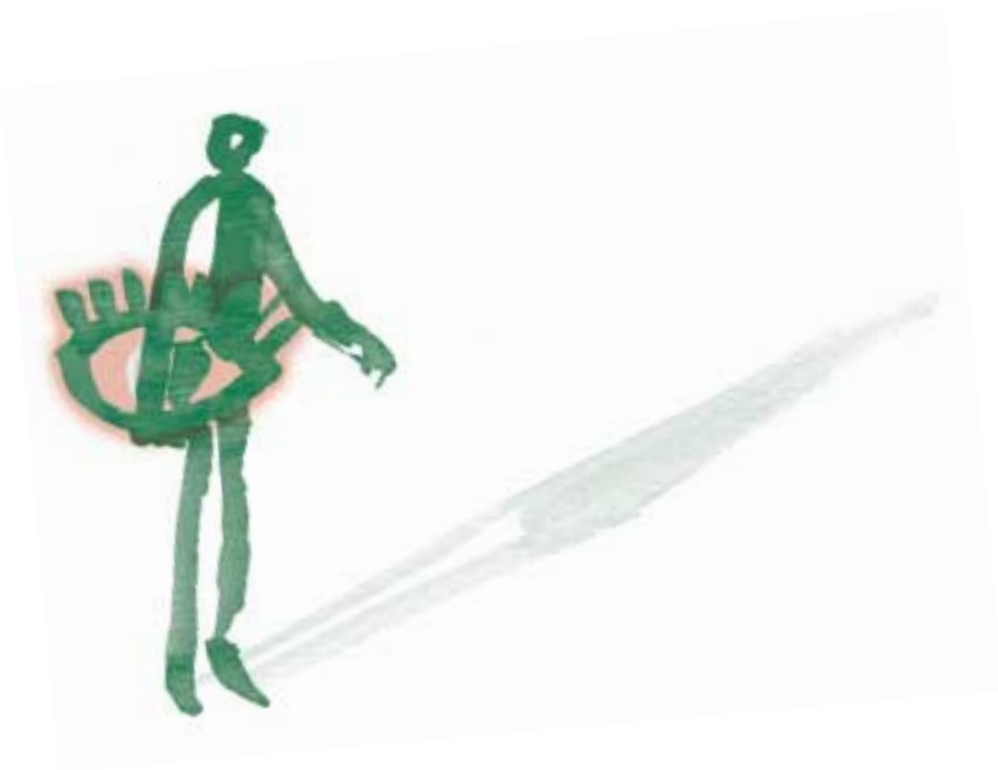
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Secretary-General's Welcome



Bengt S ve-S derbergh
Secretary-General

The growth of democracy is undoubtedly one of the most remarkable achievements of the twentieth century. Not a region of the world exists today that has not witnessed democracy's force or recognized its benefits. In Indonesia, one of the world's most durable autocrats was forced out in 1999 by popular will; the country held its first free elections in 40 years, taking an important first step towards becoming the world's third largest democracy. South Africa has emerged from decades of institutionalized oppression and racial discrimination to undertake a bold transition to democracy, national reconciliation, and nation building. In Europe, countries only recently synonymous with totalitarianism are developing democratic institutions and market economies. A similar shift away from authoritarianism has taken place also in Latin America. As the twenty-first century starts, there can be no question that democracy is the political system preferred by most of the world's people, when allowed the freedom to choose.

But images of hope and possibilities for peace and stability must be tempered

by an equally compelling and less optimistic reality: Russia is plunging deeper into economic and political instability; South East Europe has painfully suffered under ethnic cleansing; and much of sub-Saharan Africa remains engulfed in civil conflict. In established democracies, a different sort of problem challenges democracy's relevance: political apathy and low voter turnout, and the growing indifference of young voters to their responsibilities as electors.

These gains and setbacks, however, contain important lessons for all those concerned with the future of democracy. The development of methods that have succeeded in building and consolidating democracy can only be enhanced by recognizing and learning from experiences not to be repeated. More than ever, we need to share knowledge and understanding, and to build common approaches for promoting democracy.

This is what International IDEA was set up to do. It seeks to compile lessons, experiences and practices from different parts of the world and to provide ideas for promoting democracy.

Its purpose is not to design particular models and prescribe specific forms of government. Rather, it aims to provide options and perspectives; to provide forums and meeting places; and to provide information to help others share in the knowledge and understanding essential to consolidating democracy.

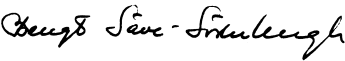
Our approach to democracy is informed by the understanding that democracy is a process that needs to be nurtured and strengthened, protected and advanced. It is a long-term process of building trust from within rather than a quick-fix solution that can be imposed from without. There is instant coffee, but there is no instant democracy.

Since its establishment four years ago, International IDEA has been involved in all phases of the democratization process. We are developing a methodology that allows national actors an opportunity to discuss and debate their country's agenda for democratization. We have sought to share options, recommendations, comparative lessons, and best practices on a variety of issues related to democracy and elections, ranging from how to design appropriate electoral systems to how to build democracy after a deep-rooted conflict. By providing an impartial meeting-place for policy-makers and practitioners, we are trying to facilitate the sharing of experiences and the forging of common understanding and approaches on issues such as the future of electoral observation and international democracy assistance. Some of these projects and programmes in which International IDEA has been involved are described in more detail in the pages that follow.

As an institution, International IDEA is moving beyond our start-up phase. As

we go forward, our efforts at gathering information must now be paralleled by our work in sharing the lessons learned and perspectives gained with policy-makers and practitioners the world over.

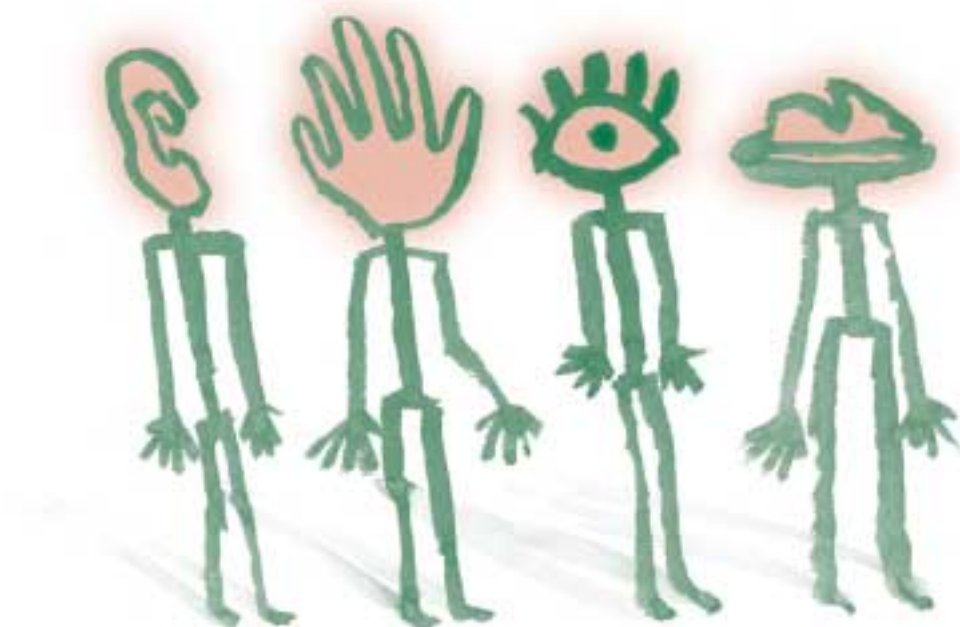
As we enter the new century, the guiding principle on which the Institute was founded continues to be our aspiration: to make a contribution to one of the worthiest of human pursuits – the quest for democracy.



Bengt Säve-Söderbergh
Secretary-General

*Man's capacity
for justice
makes democracy possible,
but man's inclination
to injustice
makes democracy
necessary.*

Reinhold Niebuhr



Overview

Return to civilian rule in Nigeria. Elections in Indonesia. Transition to democracy and national reconciliation in South Africa.

These are some of the headlines ushering in the twenty-first century – reaffirming that the growth of democracy was one of the most remarkable political accomplishments of the past century.

But the news is not all good.

Russia plunging deeper into economic and political instability. Military coup in Pakistan. Confidence in democratic institutions at an all time low.

These headlines, too, reflect a stark reality.

The closing years of the twentieth century have offered both new hopes and new challenges for promoting and protecting democracy around the world. In Latin America, Eastern Europe, Africa and Asia, old regimes have crumbled, giving way to governments newly committed to democratic rule. The end of the cold war has seen a surge in the number of democracies. From Mongolia to Mozambique, a new wave of democratization seems to be taking hold.

Furthermore, democracy, while still not universally practised, has become a universal goal. In April 1999 the United Nations Commission on Human Rights adopted a resolution proclaiming that all individuals have a “right to democracy”. Supported by 51 governments and opposed by none, the adoption of this resolution marked a significant development in the growing recognition that democracy is a fundamental human right.

But much still needs to be done. Many young democracies remain fragile and susceptible to resurgent authoritarianism. The forces of globalization and nationalism pose serious challenges particularly to new democracies emerging from years of war or isolation. The rights of individuals and minorities are not always respected, even in countries with otherwise democratic traditions. And the quality and depth of democracy is widely perceived to be inadequate because popular participation remains limited to the ceremonial casting of a ballot. In established democracies, voter apathy and the growing gap between democratic institutions and citizens raise concerns about democracy's relevance for the future.

Building democracy and making sure it endures is a long and complex struggle. It goes beyond strengthening electoral processes and entails the consolidation of democratic institutions and culture. It requires long-term commitment and ongoing support.

International IDEA (the International Institute for Democracy and Electoral Assistance) was set up in 1995 to nurture, sustain and promote democracy around the world. The establishment of the Institute was inspired by the need to have a global organization, independent of specific national interests, which would focus on democracy in all its aspects.

Objectives

International IDEA provides perspectives, options and practical tools for promoting and advancing democracy world-wide.

International IDEA is the only international organization with the sole and global mandate to promote democracy and democratization. It is dedicated to supporting all aspects of the democratic process – before, after and between elections.

It works towards achieving this objective both at the national and the international level. The Institute supports democratic development in countries where democracy is (or is not) taking shape. It brings together different, often polarized, groups in a society to discuss and decide how to advance democracy in their country. International IDEA provides practical tools to facilitate this process, such as comparative examples, perspectives and options on relevant issues. And International IDEA helps the international community develop effective approaches to assist and promote democracy. It provides an impartial meeting place for democracy-builders to share ideas and experiences and develop common understanding and goals.

The starting point for all of International IDEA's work is a solid grounding in the issues and countries with which it is dealing. Within academic circles, a small mountain of books and articles is produced each year on democracy and democratization. An important aspect of International IDEA's work is to ensure that this considerable knowledge is made relevant and available to those practitioners on the ground who might most benefit. International IDEA is not a research organization. Rather, it acts as a bridge between academic institutions and international and local organizations

involved in democratic development. It strives to capture the experience, lessons, and perspectives of academics and practitioners, and to convey these to policy-makers and people in the field. For example, International IDEA has produced handbooks on how to enhance women’s political participation and how to build democracy after deep-rooted conflict; it has outlined the best practices being used around the world to organize elections and the factors to consider when designing electoral systems; and it is currently examining options to improve the funding of political parties and to enhance participation in local governance.

Democracy should be seen as an indispensable instrument in the search for peace, stability and development.

Guiding Principles

Guiding its work in this area are certain fundamental principles:

- democratization is an ongoing, long-term process that cannot be achieved through elections alone. There is no instant democracy; nor is there a definitive and final state of democracy;
- democracy must grow within a country; international agencies or national authorities cannot impose it;
- there is no one form of democracy that is universally appropriate. Democracy must suit the circumstances of each society and its people. There are, however, commonly-accepted democratic values that provide a basis for all democracies – such as free and fair elections, respect for human rights, the existence of political parties and a free press;
- democracy should be seen as an indispensable means for achieving long-term peace, stability and development.

Democracy is valuable not only because it helps to protect human rights and human dignity, but because of its instrumental benefits: in the peaceful management of internal conflicts, in averting war between states, and in promoting economic growth and development.

International IDEA’s work is founded on these principles: the Institute provides long-term support for democracy; promotes dialogue between a wide spectrum of society to ensure that a country’s democratization process is home-grown; makes people aware of available democratic choices so they can make informed decisions and chart their own way; and advocates the long-term benefits of democratic governance.

International IDEA in Action

In 1999 International IDEA:

- started programmes in Indonesia, Nigeria, Slovakia and the Arab region;***
- published books on how to increase youth political participation and how to promote democratic development;***
- launched a website on the most comprehensive global collection of political participation statistics; and***
- organized forums for electoral officials and democracy-builders to share lessons and forge strategic alliances***

Promoting Democratic Development in Countries

Much of the international community’s support for transitions to democracy has focused on the organization of elections. However, building and consolidating democracy has proven far more challenging, requiring a much deeper commitment and a much longer timeframe. International IDEA helps countries establish and consolidate the institutions, rules and culture of democracy to increase the likelihood that democracy takes root in a country.

Its methodology is based on dialogue and consultation. The Institute brings together a variety of actors in a country – from the military to civil society, from the business community to church leaders, from government officials to opposition parties – to assess the nation’s democratization process and to recommend how it can be advanced. This dialogue process covers the range of issues and institutions essential to building democracy. For example, in Slovakia, International IDEA helped to assemble governmental, non-governmental, regional and international representatives to discuss issues such as electoral law reform, decentralization of state power, protection of minority rights, and women’s political participation. These discussions, in Slovakia and elsewhere where the Institute is involved, help to identify a country’s main democratic challenges and the pace at which democratization is proceeding. The recommendations generated through this process are published in country assessment reports, which provide guidance to national policy-makers on reform issues and to international donors in evaluating their assistance. In 1999 International IDEA initiated such dialogue processes in the Arab region, Nigeria, Paraguay and Slovakia. (See “*Supporting Nations on the Road to Democracy*”, page 34).

To sustain the momentum generated by the dialogue as well as to institutionalize the concrete recommendations, International IDEA helps set up national organizations or task forces to take the process forward. In Guatemala, for example, a national

structure to continue the democratic reform programme identified in International IDEA's assessment report has been created. Called "Participation and Democracy", it allows Guatemalans an opportunity to build a national consensus on how to consolidate democracy. (See "Guatemala", page 37).

Enhancing Participation

An important challenge for democracy today is the low level of participation, especially among the youth, in elections and political processes in both established and emerging democracies. In 1999 International IDEA analysed the question of low youth voter participation, examined its implications, and provided practical suggestions on how to overcome the problem in a report entitled *Youth Voter Participation: Involving Today's Young in Tomorrow's Democracy*. (See "Youth Voter Participation", page 30).

International IDEA is also examining how participation can be enhanced at the level of decision making closest to the people – local government. The Institute is studying how countries can further democratize through decentralization and improved local governance. It is producing a handbook on democracy and local governance that will provide policy-makers with options and practical tools for increasing community input, managing diversity, reforming local institutions and enhancing participation. (See "Democracy and Local Governance", page 31).

Developing Democratic Institutions

The stability of any democracy depends largely on the strength and character of democratic institutions and processes. International IDEA helps countries design appropriate electoral systems, provides advice on how to strengthen legislatures, judiciaries and political parties, and shares lessons and options on how to build effective democratic institutions in the aftermath of a violent and deep-rooted conflict. To disseminate the ideas and lessons outlined in its handbook on democracy and deep-rooted conflict, International IDEA is organizing a series of regional workshops on democratic institutions and conflict management. In the first such workshop, organized in Senegal in August 1999, International IDEA provided comparative experiences and strategies on conflict management techniques that could be used in the West African context. (See "Democracy and Deep-Rooted Conflict", page 29).

One of the most important institutional arenas for democracy – political parties – is also on the Institute's agenda. Political parties are facing a number of problems today with respect to funding, internal structure, decline in membership in established democracies, and the relationship between opposition parties and parties in government. As the first in a series of projects in this area, the Institute is developing a handbook on the funding of political parties. (See "Functioning and Funding of Political Parties", page 30).

Elections

Improving the conduct, management and administration of elections is an essential aspect of building a country's democratic capacity and thus continues to be one of

the Institute's primary objectives. Towards this goal, International IDEA produced the first comprehensive electronic encyclopedia on the administration and cost of elections (the ACE project), which covers all aspects of election organization and provides a range of options on topics such as selection of an electoral system, voter registration procedures, and vote counting methods. The ACE project is being used as course material in universities in Canada and Australia, and the CD-ROM is being translated into French, Spanish, and Russian.

As a follow-up to the ACE project, the Institute is launching a new initiative that will provide a databank on election information for most of the world's countries. In partnership with three international organizations, it is collecting data on various aspects of elections, including dates, results and electoral systems, as well as practical details on how they are run, by whom, and at what cost. The information will be published on a website during 2000 and is intended to serve as a resource for researchers, legislators, election bodies and the media. (See *"Gathering Election Information"*, page 32).

In 1999 International IDEA also launched a website (www.idea.int/turnout) with the most comprehensive global collection of political participation statistics available, from more than 1,400 parliamentary and presidential elections in over 170 countries. (See *"A Global Survey on Voter Turnout"*, page 32).

Assisting the International Community in Democracy-Promotion

International IDEA complements its work on the ground by assisting the international community improve the quality and impact of its democracy assistance. It provides an impartial forum for policy-makers and democracy activists to share ideas and experiences and develop common approaches to democracy-promotion. The Institute has hosted a number of seminars, workshops and conferences designed to bring together politicians, international aid officials, civil servants, election observers, and academics working in democracy-related fields.

The annual Democracy Forum, for example, provides a unique opportunity for a wide range of actors to assemble, exchange ideas and examine specific issues pertaining to democratic development. In 1999, the theme of the Democracy Forum was "What's so Great about Democracy: The Youth Speak Up!". It brought together more than 100 young people, aged 18 to 30, from more than 70 countries to discuss the future of democracy. Participants recommended practical strategies on how to overcome declining political interest and participation. The 2000 Democracy Forum is on the theme "Democracy and Poverty: A Missing Link?". (See *"Democracy Forum 1999 and 2000"*, page 41).

Setting Standards

The promotion of democracy can be facilitated by internationally accepted standards that guide those working in the field of democracy and elections. International IDEA develops such standards and promotes them with relevant actors and organizations.

Thus far, the Institute has formulated "codes of conduct" for electoral observers and election administrators, and guidelines for those seeking to get involved in electoral observation, in an attempt to establish priorities and provide practitioners with cer-

tain basic principles to enable them to carry out their job. In 1999, the Institute produced a code of conduct for political parties during electoral campaigns, and is in the process of formulating guidelines towards the development of a common basis for evaluating elections by both national and international observers. Advocating these codes and generating common understanding on how to pursue these activities continue to be important aspects of the Institute's work. (See "*Standard Setting and Normative Work*", page 33).

In addition, through the "State of Democracy" project, the Institute is in the process of developing an internationally accepted methodology for democracy assessment. The methodology is currently being tested in different regions of the world. (See "*The State of Democracy*", page 41).

Providing Forums and Forging Partnerships

International IDEA provides an impartial meeting place for democracy practitioners to interact and share experiences. Each year, for example, the Institute assembles the electoral management organizations of its member states so that they can draw upon each other's experiences and develop common approaches on how to manage elections more efficiently. (See "*Electoral Management Bodies*", page 39).

In October 1998 International IDEA hosted a conference on international electoral observation, bringing together the major actors in this field to establish a consensus on priorities and strategies with which to pursue electoral observation. The lessons learned and recommendations suggested are published in a new report entitled *The Future of International Electoral Observation*. (See "*The Future of International Electoral Observation*", page 40).

The Institute also tries to forge partnerships and alliances to promote co-operation among organizations pursuing common objectives. In March 1999 International IDEA initiated a partnership to promote electoral democracy with four leading organizations in this field. (See "*Partnership for Electoral and Democratic Development*", page 39).

Democracy Assistance

Billions of dollars are spent on democracy assistance each year by a wide range of organizations and institutions working in this area. However, there is little co-ordination, sharing of information or reflection on strategies within the donor community to ensure that democracy support is appropriately targeted and achieving its intended objective.

International IDEA tries to act as a bridge between the suppliers and receivers of democracy assistance to ensure that international democracy-promotion is determined by the priorities of each country. In this effort, the Institute produced a document on how to mainstream democracy assistance. Entitled *Dialogue for Democratic Development: Policy Options for a Renewed ACP-EU Partnership*, the publication provides 80 recommendations on how to promote democratic development. (See "*Dialogue for Democratic Development*", page 38).

During the past decade, democracy aid has been one of the international community's core priorities. But how effective has democracy assistance been in achieving its objectives and what lessons have donors and recipients learned in the process? To answer this question, International IDEA is analysing the successes and shortcomings of democracy assistance by examining policies, programmes, criteria and lessons learned from democracy assistance in the last 10 years. (See "Assessing Democracy Assistance", page 38).

Advocating Democracy

In addition, International IDEA is undertaking an advocacy programme that will bring democracy-related issues to the forefront of other policy debates, including globalization, the environment, peace and security, and poverty eradication. The Institute is consulting with experts and policy-makers on the best ways to "advocate democracy" and is planning a conference to strategize on these issues. (See "Advocating Democracy", page 41)

There is nothing in the Islamic Sharia and there is nothing in our Holy Koran that forbids women from exercising such political rights. On the contrary, there are cases in Islam - and in the companions of our Prophet - of including women, who have always been consulted on political and social and economic matters. Certainly our traditions and our customs do not prevent us, Arab, Kuwaiti and Muslim women from participating and ensuring that our democracy is not an in-name democracy, that it is not a skim milk democracy, but a full cream democracy.

(Rasha al-Sabah, Kuwait

Under Secretary for Higher Education)



Organization

Membership

At the start of 2000 – with the addition of Uruguay and Mauritius – the Institute has 19 members and 5 associate members.

Membership in International IDEA is open to states and intergovernmental organizations, and associate membership is open to international non-governmental organizations. In 1999, two new members – Uruguay and Mauritius – joined the Institute, increasing the number of member states to 19. A co-operative agreement was also signed with the Inter-American Development Bank. There are currently five associate members. This unique composition of both governments and international non-governmental organizations has made it possible for International IDEA to operate impartially in the highly political and complex field of democratic reform.

Member states

Australia, Barbados, Belgium, Botswana, Canada, Chile, Costa Rica, Denmark, Finland, India, Mauritius, Namibia, the Netherlands, Norway, Portugal, South Africa, Spain, Sweden and Uruguay.

Associate members

International Federation of Journalists, International Press Institute, Parliamentarians for Global Action, Inter-American Institute for Human Rights and Transparency International.

International IDEA also has formal agreements and co-operates closely with Switzerland, the International Commission of Jurists, the Inter-Parliamentary Union, the United Nations Development Programme and the Inter-American Development Bank.

The Members of International IDEA

- ☐ **International Federation of Journalists (IFJ)**
Representing more than 400,000 journalists in over 95 countries, IFJ is the world's largest organization of journalists. The Federation was founded in 1926 to safeguard against problems and develop professional issues facing journalists.
- ☐ **International Press Institute (IPI)**
IPI is a global network of editors, media executives and leading journalists from newspapers, magazines, radio, television and news agencies in 85 countries.
- ☐ **Parliamentarians for Global Action (PGA)**
Founded in 1979 PGA is a world-wide network of 1,200 national legislators in 90 countries committed to co-operation across national boundaries.
- ☐ **Inter-American Institute for Human Rights (IHR)**
The Inter-American Institute for Human Rights is an international non-governmental organization committed to promoting, teaching and investigating human rights in the Latin and Central American region.
- ☐ **Transparency International (TI)**
TI is a non-governmental organization that fights corruption both in international business transactions and at national levels.



A federal parliamentary democracy. Canada is the largest country in the western hemisphere.

Canada

Barbados, with a population of 262,000, is one of the world's smallest democracies. A member of the British Commonwealth, it achieved independence in 1966.

Barbados

Costa Rica

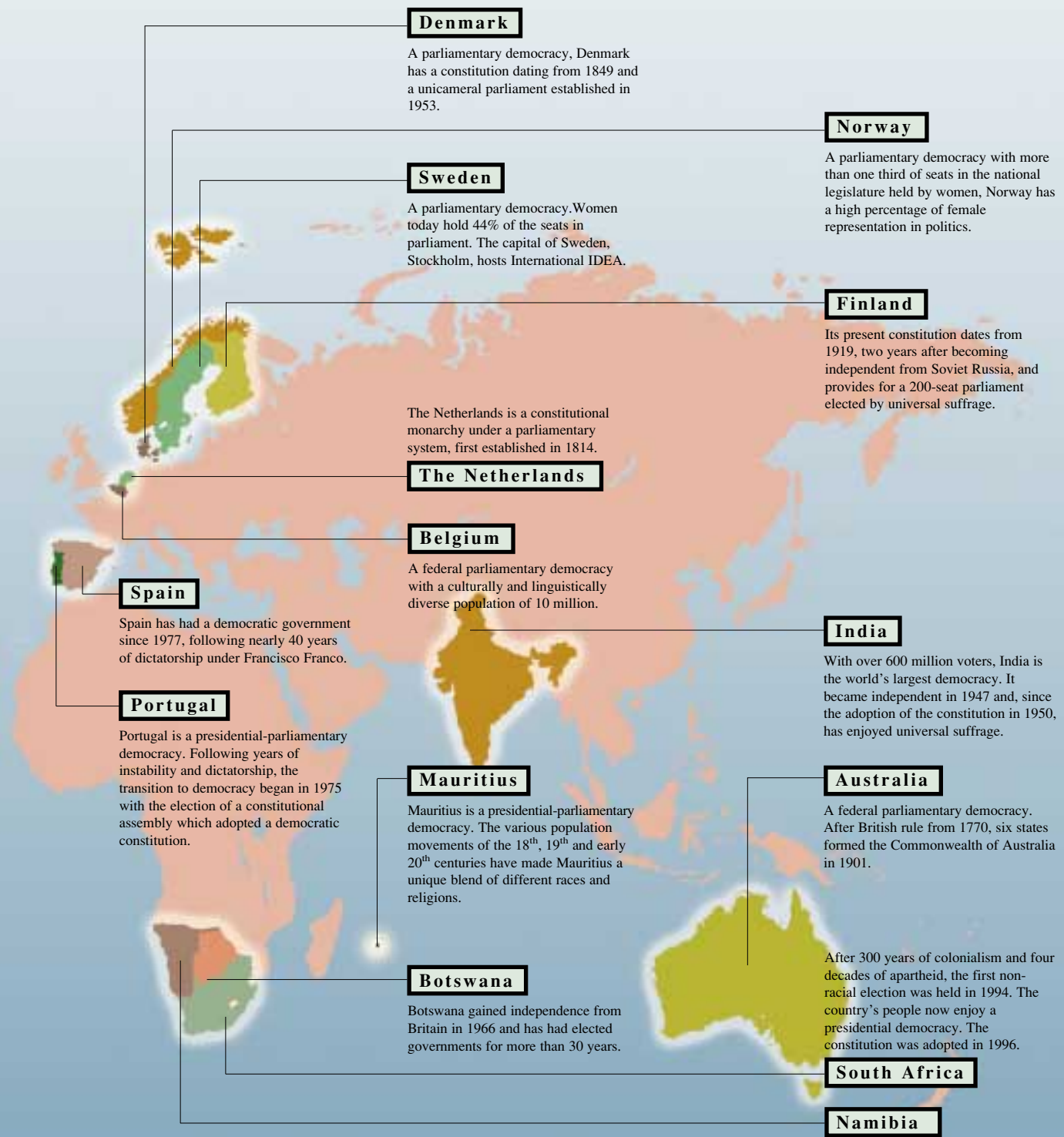
Costa Rica enjoys one of the longest democratic traditions of all Latin American countries. Democratic governance was instituted in 1889, and except for interruptions in 1917 and 1948, the country has remained democratic.

Uruguay

With its small size and democratic institutions, Uruguay is often referred to as the "Switzerland of Latin America". It has been a democratic republic since 1830.

Chile

Following independence in 1818, democratic governance predominated in the 20th century until the 1973 military coup. Competitive presidential and legislative elections were held in 1989.



THE INSTITUTE HAS FORMAL AGREEMENTS AND CO-OPERATES CLOSELY WITH

Switzerland: A country with 7 million citizens, Switzerland is a federal parliamentary democracy.

Inter-American Development Bank (IDB): The IDB was established in 1959 to promote economic and social development in Latin America and the Caribbean.

International Commission of Jurists (ICJ): ICJ is a non-governmental organization focusing on the legal promotion and protection of human rights and fundamental freedoms.

Inter-Parliamentary Union (IPU): IPU is the world organization of parliaments of sovereign states. It works for peace and co-operation among peoples and the firm establishment of representative democracy.

United Nations Development Programme (UNDP): UNDP helps countries build national capacity to achieve sustainable, human development. It promotes, among other things, sound governance and supports rebuilding societies in the aftermath of war and humanitarian emergencies.

“In any age and social climate, there are some sweeping beliefs that seem to command respect as a kind of general rule – like a “default” setting in a computer program; they are considered right unless their claim is somehow precisely negated. While democracy is not yet universally practiced, nor indeed uniformly accepted, in the general climate of world opinion, democratic governance has now achieved the status of being taken to be generally right. The ball is very much in the court of those who want to rubbish democracy to provide justification for that rejection.

This is a historic change from not very long ago, when the advocates of democracy for Asia or Africa had to argue for democracy with their backs to the wall. While we still have reason enough to dispute those who, implicitly or explicitly, reject the need for democracy, we must also note clearly how the general climate of opinion has shifted from what it was in previous centuries. We do not have to establish afresh, each time, whether such and such a country (South Africa, or Cambodia, or Chile) is “fit for democracy” (a question that was prominent in the discourse of the nineteenth century); we now take that for granted. This recognition of democracy as a universally relevant system, which moves in the direction of its acceptance as a universal value, is a major revolution in thinking, and one of the main contributions of the twentieth century.”

Amartya Sen

Organization

The *Council* meets once a year and is composed of one representative from each of the Institute’s members. It provides overall direction to the Institute’s work, approves new members, and appoints the members and the Chairman of the Board, the Nominating Committee and the auditors.

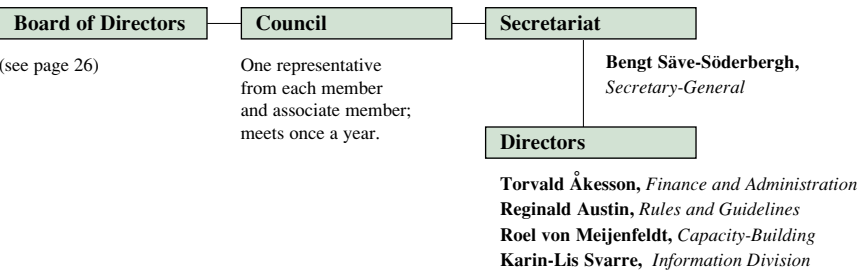


The *Board*, presently composed of 11 members, oversees the development of the Institute’s policies and approves the Institute’s annual work programme and budget. Board members serve in their personal capacity and not as representatives of their countries or organizations. The Board also appoints the Institute’s Secretary-General, who heads the Secretariat. At the Board meeting in June 1999 the current Secretary-General, Mr Bengt Säve-Söderbergh, was re-elected to a second five-year term.

The *Secretariat* currently includes approximately 60 staff members from more than 30 countries. The headquarters is in Stockholm, with some staff posted abroad on a short- or long-term basis. The Institute also has an office in Brussels.

The Secretariat is based in Stockholm, in Strömsborg, a building on an island of its own. Strömsborg is situated between City Hall, the Supreme Court, the Parliament Building and the Prime Minister’s Office.

THE COUNCIL, BOARD OF DIRECTORS, SECRETARY-GENERAL AND SECRETARIAT RUN THE INSTITUTE

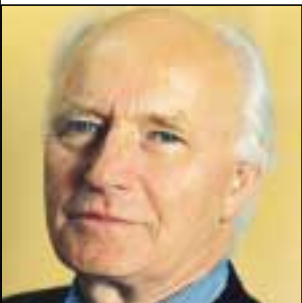


Board Members

Two new Board Members joined in 1999: Professor Kuniko Inoguchi (Japan) and Mr Ignacio Astarloa Huarte-Mendicoa (Spain)



▲ **Sir Shridath Ramphal**
Chairman
Former Secretary-General of the Commonwealth and Co-Chairman of the Commission on Global Governance.



▲ **Ambassador Thorvald Stoltenberg**
Vice Chairman
President of the Norwegian Red Cross, former UN Special Representative in the former Yugoslavia.



▶ **Dr Adama Dieng**
Secretary-General of the International Commission of Jurists.

▶ **Mr Ignacio Astarloa Huarte-Mendicoa**
Former Secretary-General of the Chamber of Deputies and Secretary of the Central Election Commission, Spain.



▶ **Professor Kuniko Inoguchi**
Professor at the Faculty of Law, Sophia University, Tokyo, Japan.



▶ **Mrs Mónica Jiménez de Barros**
Executive Director of PARTICIPA and member of the Truth and Reconciliation Commission, Chile.



Dr Erling Olsen
Former Speaker of
Parliament,
Denmark.



Mr Manmohan Malhoutra
Former Assistant Secretary-General
of the Commonwealth and adviser to
the former Prime Minister of India,
Mrs Indira Gandhi.



Ms Maureen O'Neil
President of the
International
Development Research
Centre, Canada.



Ms Aung San Suu Kyi
General Secretary of the
National League for
Democracy in Burma and
Nobel Peace Prize
Laureate.



Sir David Steel
Former President of Liberal
International, United Kingdom,
member of the House of Lords,
Presiding Officer of the Scottish
Parliament.



1999 in Review

In 1999 International IDEA focused its work in the areas where it has proved to have a comparative advantage in being a small but global organization with credible members committed to democracy-promotion. These areas include providing practical information on democracy and elections; standard setting and normative work; supporting democratic development in countries; assisting the international community in democracy-promotion; providing a meeting-place for practitioners; and bridging the gap between academia and democracy actors.

Providing Practical Information on Democracy and Elections

Democracy and Deep-Rooted Conflict: Follow-Up

Regional workshops on conflict management

In 1998 International IDEA published a handbook on *Democracy and Deep-Rooted Conflict: Options for Negotiators*, which provides practical advice on how to broker peace in countries emerging from deep-rooted conflict and outlines options negotiators can draw upon when trying to build or rebuild democracy.

To disseminate the lessons outlined in the handbook, the Institute is organizing regional workshops on democratic institutions and conflict management. The first was held on Goree Island, Senegal, in August 1999, and was attended by senior policy-makers from new or restored democracies in West Africa.

The workshop was organized around six main topics: political and economic causes of conflict; constitutional innovations for managing conflict; devolution of power and local governance; electoral processes; civil-military relations; and political participation and minority issues. Discussions focused on realistic strategies that could be used in the West African context.



Democracy and Deep-Rooted Conflict: Options for Negotiators

Future workshops are planned for Latin America, Asia-Pacific, and Southern Africa, with the potential for extension into other regions of Africa and the Caucasus. A training programme based on the book is being developed by the Canadian Center for Conflict Resolution.

Advice to the international community and national governments

International IDEA has provided advice to the Office of Democratic Institutions and Human Rights on possible future political arrangements in Kosovo; to the Office of Security and Cooperation in Europe on plans for handling refugees and minority voting in the Croatian constitution and electoral law; to the European High Commission for Minorities on minority rights; and to the UN Department of Political Affairs on peacemaking and preventative diplomacy.

Functioning and Funding of Political Parties

Political parties are facing a number of problems today, including funding, relations between opposition parties and parties in government, and decline in membership in established democracies. International IDEA is providing an opportunity and a venue for practitioners and researchers concerned with political parties to meet and exchange experiences and information.

In 1999 the Institute focused its attention on funding. It gathered information on the availability of funds, methods of disclosure, systems for transparency, alternative methods of income generation, the role of external funding, focusing on parties in new and transitional democracies. It is currently producing a handbook on these issues and is preparing a checklist of campaign fund-raising practices in different regions and in different types of democracies, in order to outline good practices in this area.

To gather input for this handbook, International IDEA and the Inter-American Development Bank, together with the Government and Parliament of Colombia, held a conference on the funding of political parties in April 1999. In May 2000 a conference is planned in Botswana to discuss these issues, and in particular the lessons learned from recent elections in the region.

Youth Voter Participation

Voter participation has declined in new and established democracies alike, particularly among the young. A recently published report by International IDEA, *Youth Voter Participation: Involving Today's Young in Tomorrow's Democracy*, analyses the problem of low voter participation among young people, explores its causes, and suggests innovative ideas and practical programmes to raise young people's interest and participation in the electoral process. Among the strategies the report suggests: make it easier to register to vote; support educational initiatives on democracy;



Youth Voter Participation:
Involving Today's Young in
Tomorrow's Democracy

encourage preparatory elections such as mock elections; lower the voting age; and facilitate voting in practical ways. The report was presented at the 1999 Democracy Forum.

Democracy and Local Governance

Considerable attention has been paid recently to developing national-level institutions that move away from adversarial or exclusionary policies and promote consensus-based decision-making. Little attention has been given to how such consensus-based approaches can be promoted at the local government level – although broad-based participation at the local level is critical in building legitimacy, particularly in new democracies.

To provide options in this area, International IDEA has undertaken a project that focuses on the design of local institutions and on innovative decision-making procedures for citizen involvement at the local government level. A handbook, to be published imminently, will describe practical methods to improve community input, manage diversity, handle difficult issues, and reform local institutions. The role of the international community in promoting citizen participation in local decision-making is also being explored. In addition, the Institute is developing a curriculum and teaching resources and internet-based materials that can be used by local authorities and international organizations.

Justice, Truth and Reconciliation

The crises in Kosovo and East Timor in 1999 again highlighted the challenging task facing the international community in post-conflict peace-building. The importance of reconciliation processes, including bringing war criminals to justice and discovering truth, cannot be over-emphasized in the context of peace-building and democratization after conflict. In 1999 International IDEA conducted preliminary research on this subject within its broad work area of democracy and conflict management. A workshop on the theme was held in Stockholm in November 1999 with some of the world’s top experts and practitioners in the field.

International IDEA intends to produce a practical handbook on reconciliation, analysing in a comprehensive manner various reconciliation requirements, tools and instruments available to promote reconciliation processes, as well as a number of case studies. The issues of justice and truth have been discussed by many from a human rights point of view. An intended added value of the Institute’s work in this field is a more comprehensive approach to the subject, combining legal/human rights, democratic, social and political perspectives in the analysis within the broad framework of conflict management. This suggested approach was fully endorsed by the workshop.



Administration and Cost of Elections (ACE)
A CD-ROM that provides comprehensive comparative information on electoral management, produced in collaboration with the International Foundation for Election Systems and the United Nations.



Gathering Election Information

International IDEA is launching a new project that will provide a databank on election information for most of the world’s countries. The aim of the project, entitled “Election Process Information Collection” (EPIC), is to collect raw data on various aspects of elections, including practical details on how they are run, by whom, and at what cost. The information will be published on a Website created for this purpose and serve as a resource for researchers, legislators, election bodies and the media. The United Nations, the United Nations Development Programme, and the International Foundation for Election Systems are collaborating on this project. By early 2000 data for six countries will be available; the complete database covering most of the world’s nations will be available by 2002.

A Global Survey on Voter Turnout: www.idea.int/turnout

In July 1999 International IDEA launched a website with the most comprehensive global collection of political participation statistics available. It includes statistics from more than 1,400 parliamentary and presidential elections in over 170 countries. Graphs, charts and tables highlight trends in voter turnout in the 1990s, compare turnout between old and new democracies, and reveal turnout patterns for first and second-generation elections. Political participation in different regions is analysed, and information on issues such as the impact of literacy, the correlation between turnout and national wealth, and the link between civil liberties and turnout is highlighted. The Institute regularly updates the figures to provide practitioners, journalists and academics with the most current global analysis of voter turnout. In addition to the website, International IDEA has published a hard copy of the report entitled *Voter Turnout from 1945–1997: A Global Report on Political Participation*.

Resolving Electoral Disputes

From the first stage of boundary delimitation to the final stage of allocating seats on the basis of votes, elections can give rise to a wide range of disputes. Governments and electoral authorities have different ways of resolving such disputes, using the courts, electoral tribunals, and formal or informal conciliation and mediation. Some of these approaches have proven effective, whereas others have been cumbersome, expensive and seriously flawed. While election practitioners acknowledge the need to develop and document effective dispute resolution mechanisms, especially given their critical impact on the credibility of electoral processes, little comparative work has been done.

To fill this gap, International IDEA is analysing the different mechanisms that can be used to settle electoral disputes. The project compares the various systems in use, their effectiveness, and outlines good practices, taking

into account differences in political and social conditions. A handbook and training resources on these issues will be published in the year 2000.

External Voting

The spread of democracy throughout the world, along with an increase in migration, has raised the issue of guaranteeing the right to vote for people living abroad, such as refugees, diplomats and armed forces personnel. Although most constitutions guarantee the right to vote to all citizens, some do not have provisions allowing citizens residing abroad to cast their vote.

International IDEA is examining both the theory and practice of external voting. In preparation for a handbook on this topic, in 1999 the Institute collated research, compiled legislation, analysed current practices, and reviewed comparative case studies. It also set up an advisory group for the project. The handbook, to be published in 2000, will serve as a reference guide for electoral bodies and international organizations. The project is a joint effort between International IDEA, Instituto Federal Electoral in Mexico and the United Nations Development Programme in Mexico. The United Nations Electoral Assistance Division is participating during the research phase.



Technical Paper Series
The first in this series, *The Internet and Elections*, discusses the impact of the Internet both on political participation and on the organization of elections. The second, *Voting by Mail*, is a step-by-step guide to voting by mail. The third will be on *Geographic Information Systems (GIS)* for electoral boundary delimitation.

Setting Standards and Normative Work

Code of Conduct for Political Parties

The Institute’s most recent code of conduct outlines norms of behaviour for political parties and provides guidelines on how to create a level playing field for all political actors involved in the electoral process. The code is aimed at political parties world-wide to help minimize conflict and intimidation and encourage a climate of free and fair competition during elections, particularly in countries where democratic processes are seriously being challenged.

Guidelines for Evaluating Free and Fair Elections

International IDEA is examining the concept of “free and fair” in order to develop core standards for evaluating different aspects of an electoral process, including alternative approaches to reporting.



Code of Conduct for Political Parties
Campaigning in Democratic Elections

Supporting Nations on the Road to Democracy

Nigeria

The election of General Obasanjo as President of Nigeria in February 1999 and recent developments in the country have created a unique opportunity to support democratic reforms in Nigeria.

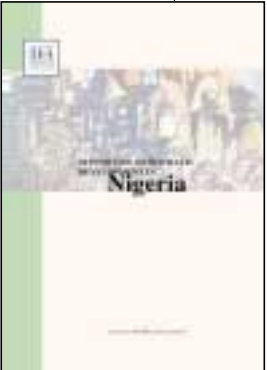
Following an invitation by the President, International IDEA undertook a number of missions to Nigeria in 1999 to discuss the challenges facing the country, and assess how best the Institute could assist the reform process. The main issues identified include: providing support to the truth commission; assisting the constitutional reform process; and assisting the independent national electoral commission. In February 2000, the Institute undertook a two-week mission to Nigeria with the objective of encouraging dialogue between and among different groups in society, including state institutions, the private sector, the military and civil society. These talks provide an opportunity for Nigerians themselves to assess their country's democratization process and recommend how it can be advanced. This will result in an International IDEA assessment report with an agenda for democratic reform.

The Institute also collaborates closely with the Centre for Democracy and Development, a West African institute based in London; Lagos, Nigeria; and Accra, Ghana. The Centre makes relevant international experience and expertise available to Nigerian democracy supporters.

Burkina Faso

Since December 1998, Burkina Faso has been in the midst of a political crisis, following the unresolved murder of a leading journalist. The government convened a "committee of wise persons" to articulate ways to resolve the crisis and to advance the democratic process. The committee recommended revamping the political system, establishing a government of national unity to promote reconciliation, and creating a truth commission to investigate past crimes and end impunity, thereby endorsing many of the recommendations in International IDEA's 1998 report, *Democracy in Burkina Faso (La Démocratie au Burkina Faso)*.

International IDEA's focus in 1999 has been to advance political and electoral reform in the country and to promote the recommendations in its report, both among the political elite and at the grass-roots level. It has assembled a Contact Group, comprised of Burkinians from different sectors of society, to carry forward the recommendations. In partnership with local organizations, the Institute initiated a number of civic education projects, such as weekly radio programmes, theatre plays, and the translation of parts of the report into local languages. The plays, for example, which are being performed in three languages, are aimed at teaching people why and how to vote, in preparation for local elections in February 2000.



Supporting Democratic Development in Nigeria



La réforme du système électoral au Burkina Faso

In June 1999 the Institute also organized a seminar with parliamentarians on the role of parliaments and political parties in the consolidation process, as well as a workshop on electoral reform.

Indonesia

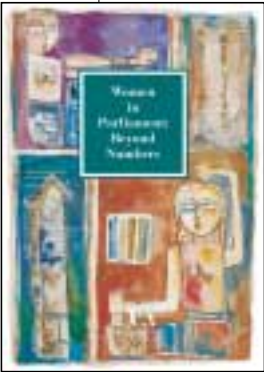
Indonesia’s presidential elections in June 1999 marked the first step in the country’s road to democracy. International IDEA’s strategy to support Indonesia’s democratic transition followed a two-track approach: first, facilitating technical assistance in the electoral field, and second, promoting political dialogue. In 1998 the Institute’s activities focused on providing electoral advice, specifically on the options and consequences of different electoral system choices. In 1999 International IDEA provided technical assistance for managing and monitoring the June elections. In July 1999 it convened a conference in Jakarta, entitled “Beyond Elections: Challenges to Consolidate the Transition to Democracy”, to assess the challenges and opportunities of the democratic consolidation process. Among the issues identified by both Indonesians and the international community were: constitutional reform, strengthening the rule of law, protecting the role of civil society and the media, strengthening regional autonomy, and reviewing civil-military relations.

The Institute is also holding a series of workshops on constitutional and electoral reform, women in politics, local autonomy, and the role of the military. The first of these workshops, on women’s political participation, assembled trainers from the Philippines who helped Indonesian women activists identify the challenges to effective political participation. International IDEA’s handbook on women in parliament, was translated into Bahasa and used as a reference tool. The Institute has also commissioned studies on the reform process in seven provinces in Indonesia, which will form the basis of an assessment on how to consolidate democracy nationally and locally.

Burma

To identify how International IDEA can assist in bringing about an initial transition to peace and democracy in the country, the Institute is first mapping out existing international involvement in Burma. It is producing a publication reviewing multilateral and bilateral engagement in the country, highlighting both constraints and opportunities.

The Institute’s Burma strategy involves a three-track approach to promoting dialogue: through the ASEAN network, via the ethnic minorities, and through mobilization of European Union opinion and support for creative interventions. In 1999 the Institute developed a programme to support a national reconciliation initiative with ethnic groups in Burma. Through workshops, it is helping the Burmese develop the conceptual and practical tools necessary to advance the process of negotiation through political dialogue.



Women in Parliament: Beyond Numbers

Outlines practical strategies women parliamentarians can use to impact on political decision-making.

The Arab Region

International IDEA has developed a programme aimed at assessing and supporting prospects for democracy in the Arab region and strengthening regional networks for democracy. Activities are focused on Morocco, Tunisia, Egypt, Jordan, Lebanon and Yemen, and may expand to cover other countries at a later date.

In 1998–1999 International IDEA undertook a number of missions to the region to meet with democracy actors from a range of public institutions and civil society organizations. In March 1999 the Institute organized a round table in Stockholm to discuss the future of democracy in the Arab world and to analyse the challenges facing the democratization process in the region. Politicians, academics, journalists, human rights and civil society activists from the above-mentioned countries attended. A report of the round table entitled *Democracy in the Arab World* is available from the Institute. In May 1999 the Institute co-organized a workshop on electoral systems in Beirut, Lebanon, under the patronage of the Lebanese Prime Minister. The workshop, which gathered ministers, parliamentarians, political party representatives, academics and civil society activists, provided an overview of electoral reform that can help Lebanon improve its own electoral system.

The Institute has established contacts with potential partners within the Arab region and the international actors working there, in particular the United Nations Development Programme and the European Union. Issues under examination include: optimal practices in good governance; constitutional reforms; democracy and poverty; sustainable development; and the Lebanese experience in the reconstruction process.

Slovakia

The Slovak Republic became a parliamentary democracy in 1992. Between 1993 and 1998 progress towards democratic consolidation stalled due to authoritarian practices. However, the parliamentary elections in September 1998 and the presidential election in May 1999 resulted in a new government coalition and a new president, both with an agenda and commitment to adopt and implement democratic principles and policies.

Recognizing this window of opportunity in Slovakia, International IDEA initiated a programme to assess and support the consolidation of democracy in the country. In 1999 the Institute undertook two missions to the country to meet governmental and non-governmental actors and regional and international partners, listen to their assessment of Slovakia’s state of democracy, and discuss the role that International IDEA could play. The following issues were highlighted and are on the Institute’s agenda: promotion of non-discriminatory principles and a democratic culture in legislation and practice (i.e., gender equality, minority rights); assistance to national efforts in the areas of decentralization and public administration



Democracy in the Arab World

reform; enhancement of women’s political participation; and assistance on electoral law and constitutional reform and the rule of law. As in other countries, International IDEA is initiating a dialogue process with a wide spectrum of Slovakian society.

Bosnia

International IDEA’s efforts to assist the consolidation of peace and democracy in Bosnia have focused on helping Bosnians find their own route to democracy. The Institute helped to set up a “Democracy Foundation for Bosnia-Herzegovina”. Managed by people from all parts of the country, the Foundation’s aim is to “repatriate” the initiatives of the international community in restoring peace and establishing democracy to Bosnians themselves. In 1999 the Foundation provided information to Bosnians and international experts on the ideas and options involving electoral law reform and conflict management discussed in International IDEA’s publications. It also translated and disseminated the Institute’s handbooks *Democracy and Deep-Rooted Conflict: Options for Negotiators* and *Electoral System Design*. International IDEA plans to continue to support and develop the Foundation in order to strengthen its management capacity and enable it to become financially self-sufficient.

Paraguay

The assassination of Paraguay’s Vice President in March 1999 called into serious question the country’s democratic transition process. To assess the challenges and opportunities for Paraguay’s ongoing transition, International IDEA initiated a democracy programme in the country in 1999. A team of representatives from International IDEA, the Inter-American Development Bank and the National Democratic Institute, and led by former president of Chile Mr Patricio Alwyn, met with Paraguay’s President Dr Louis Gonzalez Macchi in July 1999. The meeting discussed lessons from Chile’s experience in leading a government coalition in a transition period and how Paraguay’s new coalition government could best tackle the country’s most immediate social and economic challenges. In the short-term, International IDEA is initiating discussions with government leaders on immediate concerns, such as political and institutional reform and economic and social issues. In the long-term, the Institute plans to undertake a comprehensive review of Paraguay’s transition process within a regional context and to outline options, strategies and ideas on how it can be consolidated.

Guatemala

In 1998, International IDEA undertook a comprehensive assessment of the strengths, weaknesses and challenges facing Guatemala’s democratization process. Its recommendations, outlined in its report *Democracia en Guatemala: La Mision de un Pueblo Entero (Democracy in Guatemala: A Mis-*



The International IDEA Handbook of Electoral System Design

A guide that describes the world of electoral systems and what factors to consider when modifying or designing an electoral system.

sion for an Entire People), are now being discussed by broad sectors of society.

In 1999 International IDEA's work in Guatemala focused on disseminating the ideas in the report, particularly on the issue of participation and citizenship. As the report emphasized, one of Guatemala's challenges is its high level of abstentionism and low level of voter registration. Guatemala has the second lowest voter turnout rate in the world (the lowest in Latin America), and approximately 40 per cent of its population, mostly the indigenous, is not registered to vote. In 1999 International IDEA's programme "Participation and Democracy" undertook and supported activities aimed at redressing these issues. Among its activities is the co-ordination of the work of various organizations in raising awareness of the importance of participation, especially the young.

Assisting the International Community to Promote Democracy

Dialogue for Democratic Development

In early 1999 International IDEA published *Dialogue for Democratic Development: Policy Options for a Renewed ACP-EU Partnership*, which outlines 80 practical options on how to promote democratic development. These proposals were generated during a conference with more than 100 politicians, policy-makers, academics and civil society representatives on how to mainstream democracy assistance within the Lomé Convention – a co-operation agreement between the European Union and 71 countries in Africa, the Caribbean and the Pacific (ACP). The publication was launched at a public meeting in July 1998 in Brussels, attended by many of the parties to the negotiation. The Institute is continuing its efforts to advocate the recommendations and options outlined in the report through a series of seminars for senior policy-makers. (For more information, please consult the Website on this project at www.idea.int).



Dialogue for Democratic Development: Policy Options for a Renewed ACP-EU Partnership

Assessing Democracy Assistance

Since the fall of the Berlin Wall, the international community has embraced democracy assistance as one of its core priorities. A decade later, a number of important questions need to be answered: What has democracy assistance achieved? How has it been managed? What have been its main achievements, shortcomings and failures? What lessons have been learned in the last 10 years?

To address these issues, International IDEA has undertaken a project entitled "Co-operating for Democracy: Lessons Learned from a Decade of Democracy Assistance". The aim is to review donor policies for democracy

assistance and good governance in the past 10 years, assess the impact of such support, and explore ways in which it could be made more effective and efficient in the future. A handbook will analyse the lessons learned from democracy assistance, and outline strategies to improve the management and effectiveness of aid from both the donor's and the recipient's perspectives. International IDEA plans to share this knowledge through policy and training seminars with local and regional democracy institutions, member states, and other international actors.

Partnership for Electoral and Democratic Development

Many countries have reached a stage where elections are held regularly. Thus, the focus of international assistance needs to shift from addressing the immediate needs of a given election to a more long-term effort to establish strategies, set priorities and develop common approaches to strengthen electoral democracy. To promote such a goal, International IDEA brought together four leading electoral organizations – Elections Canada, the International Foundation for Election Systems, Mexico's Federal Electoral Institute, and the United Nations Electoral Assistance Division – in a "Partnership for Electoral and Democratic Development". The Partnership's objective is to share experiences, information, and resources in a systematic and organized way to enhance the efficiency of elections and electoral practices. Its first initiative is to examine the problem of low voter turnout and non-registration of large segments of the population in Guatemala.

Providing a Forum for Practitioners

Electoral Management Bodies

One of International IDEA's mandates is to provide electoral practitioners an opportunity to network and share ideas and experiences. In this regard, the Institute organizes an annual meeting of the electoral management bodies (EMBs) of its member states. The fifth meeting was held in September 1999, for the first time outside Stockholm, in Cordoba, Spain. In addition to EMBs from member states, this year's meeting involved election commissioners from Ghana, Thailand, Colombia, Mexico and the Philippines, as well as international organizations with whom the Institute co-operates closely, including the United Nations Development Programme, the International Foundation for Election Systems, and the United Nations Electoral Assistance Division.

Participants discussed problems in voter registration, technical changes in election management, dispute resolution mechanisms, media and transparency in elections, and the relationship between EMBs and domestic and

international observers. They noted that electoral management bodies are increasingly becoming institutions of governance, as is the case in three member states, Australia, Canada and India, and that this trend should be encouraged to increase EMB's independence, credibility, effectiveness and visibility. Discussions revealed that voter registration continues to pose one of the most fundamental problems in the electoral process, as was highlighted in the context of East Timor's voter registration exercise. The role that EMBs can or should play with respect to regulating or supporting political parties or in resolving electoral disputes was also discussed.

The Future of International Electoral Observation

In the field of election observation, International IDEA does not duplicate efforts by sending election observation missions. Instead, the Institute focuses on developing guidelines for electoral observers and on increasing co-operation among the variety of actors in the field. In this effort, it assembled the major players in the field of electoral observation to share experiences, analyse lessons and identify practical forward-looking strategies to make election observation more effective, in a conference in Copenhagen in October 1998. The report from the conference, *The Future of International Electoral Observation: Lessons Learned and Recommendations*, addresses questions such as: What has been learned from international observation thus far and what can be improved? How should policies, rules and guidelines be formulated? How can efficiency and cost-effectiveness be enhanced for those who finance these operations?

Participants agreed that the ultimate objective of international electoral observation is to render itself superfluous, i.e., to help a country consolidate its own democratic processes and capacities in such a way that international election observation eventually becomes redundant. They also emphasized that election observation missions must be designed with specific goals in mind. Organizations must prepare their electoral observer through briefings and written materials so they are aware of the local situation before they go into a country.

Democracy Forum 1999: Youth and Democracy

More than 100 democracy activists, aged 18 to 30, from 70 countries gathered near Stockholm in June 1999 to discuss the future of democracy and to outline the challenge and opportunities as they see them. The fourth annual Democracy Forum, entitled "What's so Great about Democracy? The Youth Speak Up!", allowed young people to come up with ideas, strategies and new approaches to the issues facing democracy around the world – from the impact of a more globalized economy to the emergence of new forms of local and global identities.

During the Forum, activists struggling for democracy in countries such as Burma and Indonesia communicated directly with others from recently-democratized countries, such as Poland, Georgia and Bosnia, and from



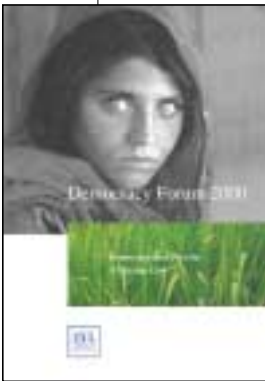
The Future of International Electoral Observation: Lessons Learned and Recommendations



established democracies such as Canada and Finland. Organized around five workshops, participants discussed how political processes could be reformed to increase participation; what lessons could be shared from democracy struggles in Malaysia, Indonesia and Nigeria; how democracies can better respond to issues of identity and representation; how education can be used to promote democratic values; and what the concerns of today's young people are and how can they voice these concerns more effectively. The Democracy Forum magazine highlights the discussions and outlines the strategies and recommendations discussed at the forum.

Democracy Forum 2000: Democracy and Poverty: A Missing Link?

International IDEA will hold its fifth annual Democracy Forum from 8 to 9 June 2000 on the theme "Democracy and Poverty: A Missing Link?". To prepare for the Forum, International IDEA is commissioning papers on relevant topics and planning a series of regional seminars in Africa, Asia and Latin America, in April 2000. The Forum, which will take place in Stockholm, Sweden, will gather about 60 politicians, policy-makers, academics, representatives of donor agencies, democracy practitioners, United Nations officials and media executives.



Advocating Democracy

The State of Democracy

In 1999 International IDEA began the first stage of its project on "The State of Democracy", which aims to produce a periodic, systematic assessment of the state of democracy and democratization around the world. The pilot stage of this project, called "Democracy in Progress", examines the state of democracy in ten countries in Africa, Asia, Latin America, Europe and Oceania. This assessment will be conducted through data collection by country-based partner institutions and research teams. It is anticipated that two publications, one outlining the methodology of the project and the second on country case studies, will be produced at the end of year 2000.

Policy Seminars

International IDEA is organizing policy seminars on democracy-related issues for its members. The first seminar, on democratic institutions and conflict management, was held in December 1999 in Stockholm, Sweden. Topics for future seminars include democracy assessment methodology, election administration, and electoral system design.



Finances and Funding

The funding of International IDEA is based on voluntary contributions from member governments. This was considered to be more appropriate in the financial climate of the 1990s than any other formula involving assessed contributions.

The Institute’s main source of revenue is expected to be its member governments. These comprise the major donor countries, which are expected to contribute approximately 10 per cent each of the annual budget and the other member countries, which make smaller or symbolic contributions. Intergovernmental and non-governmental member organizations make general contributions or contributions for specific programmes and projects. As host country, Sweden shouldered a significant share of the budget and has so far assumed a special responsibility.

In 1998 the Board resolved to develop the practice of “complementary funding” in addition to “core funding”. The former is project- or programme-specific funding and usually comes from aid agencies of member governments. In 1998 and 1999 complementary funding represented 29 and 25 per cent respectively of the total budget.

Year	Core Funds	Complementary Funds	Other Income	Total
1996	3.6			3.6
1997	4.7			4.7
1998	5.0	2.0		7.0
1999	5.8	2.3	0.5	8.6

In 1998 complementary funding came from Switzerland, Denmark, the EC, Finland and Sweden/Sida.

Contributions to the General Reserve Fund and the Working Capital Fund were made in 1997 to bridge temporary liquidity needs of the Institute. Parts of the Working Capital Fund were used during 1998 and 1999 for liquidity purposes.

During 1998 two projects – Burkina Faso and the Lomé projects – have been subject to special auditing following requirements by the complementary funding agency.

**Deloitte &
Touche**

Auditor's Report

To the Board of Directors of the International Institute for Democracy and Electoral Assistance

We have audited the accompanying balance sheet of the International Institute for Democracy and Electoral Assistance as of December 31, 1997 and 1998, and the related statements of income for the years then ended. These financial statements are the responsibility of the Institute's management. Our responsibility is to express an opinion on the these financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Institute as of December 31, 1997 and 1998, and of the results of its operations for the years then ended and comply with the Institute's Finance Regulations.

Deloitte & Touche

April 26, 1999

Stockholm, Sweden

FINANCES AND FUNDING

Balance sheet of the Institute 1997–1998 (in US\$)
(including balances carried forward)

	31 December 1998	31 December 1997
ASSETS		
Cash and Bank	2,521,954	2,061,744
Receivables		
Donors	573,366	195,233
Prepaid Expenses/Accrued Income	37,982	25,097
Other Receivables		
Swedish Tax Repayable (VAT)	118,658	81,710
Project Advance	9,842	
Travel/Personnel Advance	10,548	46,783
TOTAL ASSETS	3,272,350	2,410,567
LIABILITIES AND CAPITAL		
Accounts Payable		
Trade	498,115	93,914
Accrued Expenses/Deferred Income	205,275	74,806
Social Charges on Income	17,732	17,505
Accrued Vacation Salary	25,969	21,961
Employee Withholding Taxes	27,863	30,992
Personnel Liabilities	214,703	335,691
Nepal Trust Fund, Denmark	56,105	
Capital		
Working Capital Fund	1,002,018	968,242
Reserve Fund	1,011,316	968,242
Fund Balance	213,254	100,786
TOTAL LIABILITIES AND CAPITAL	3,272,350	2,410,567

IDEAS FOR DEMOCRACY 1999

Statement of income and expenditure for 1997–1998 (in US\$)

	1998	1997
INCOME		
Contributions from Member Countries	5,006,272	4,664,085
Complementary Funding	2,057,867	
Book Sales	16,344	
Other Income	18,506	55,193
TOTAL INCOME	7,098,989	4,719,278
EXPENDITURES		
Investments	208,397	78,078
Personnel Expenses	3,034,577	2,682,892
Travel Expenses	1,420,973	1,019,316
Office Expenses	986,282	752,521
Other Expenses	1,168,558	1,069,000
Sub-Total Expenditures	6,818,787	5,601,807
Capital Income/Expenses	(33,838)	121,588
TOTAL EXPENDITURES	6,784,949	5,723,395
RESULT	314,040	(1,004,117)

FINANCES AND FUNDING			
Actual expenditure			
Projects	1998	1997	PROGRAMME/PROJECT EXPENDITURE
RULES & GUIDELINES			
Administration & Cost of Election	201,798	109,284	
Electoral Dispute Resolution	37,979	32,168	
Code of Conduct-Election Management	8,067	9,177	
Code of Conduct-Election Observation	14,669	10,749	
Code of Conduct-Political Parties	3,878	83	
Field Co-operation	12,377	18,466	
Electoral Networks & Electoral Technology	349,085	206,599	
Future of Electoral Observation	94,842	1,737	
Involvement in Election Observation	3,924	6,556	
UNDP Information Network	2,593	17,491	
Participation of Women **	149,701	68,357	
Electoral Systems **	39,439	93,168	
Political Parties **	12,499	78,114	
Deep-Rooted Conflict **	334,681	131,578	
Voter Turnout in Elections	31,321	120,430	
Electoral Technical Paper Series	12,368		
Increasing Voter Participation	20,965		
External Voting	58,424		
Local Government	42,304		
Small Projects & Project Development	18,792		
Overhead**	375,815	302,157	
PROGRAMME TOTAL	1,825,521	1,206,114	
CAPACITY-BUILDING			
Burkina Faso	120,774	142,999	
Nepal	9,960	103,430	
Nicaragua	1,551	91,908	
Romania	10,453	258,454	
Bosnia	194,031	119,094	
Nigeria	189,738	55,790	
Seminars		31,200	
Zambia	6,783	315,428	
Guatemala	542,103	98,036	
Burma	120,907	43,964	
Arab region	45,130		
Mexico	10,426		
Dialogue for Democratic Development	626,639		
Advisory Group	13,474		
Democracy Assistance and	50,90		
Democratic Governance			
Small Projects & Project Development	3,046	63,160	
Overhead**	426,356	389,231	
PROGRAMME TOTAL	2,326,461	1,712,694	

Note: ** Overhead expenses relating to projects within the following programmes, Rules & Guidelines and Capacity-Building are charged to respective project.

I D E A S F O R D E M O C R A C Y 1 9 9 9				P R O G R A M M E / P R O J E C T E X P E N D I T U R E
	Actual expenditure			
	Projects	1998	1997	
	APPLIED RESEARCH			
	Democracy		43,154	
	Gender		31,062	
	Small Projects & Project Development		23,951	
	Overhead	202,568	106,198	
	PROGRAMME TOTAL	202,568	204,365	
	INFORMATION SERVICES			
	Publications	61,233	47,288	
	Home Page	10,198	21,242	
	Databases		4,452	
	Newsletter		16,690	
	Annual Report	1,272		
	Media Relations	7,626	5,717	
	Information Centre	17,290	27,311	
	Overhead	420,217	342,738	
	PROGRAMME TOTAL	517,836	465,438	
	TOTAL PROGRAMME	4,872,386	3,588,611	
	ADMINISTRATION			
	Democracy Forum	106,701	267,296	
	Board/Council	187,936	241,424	
	Secretariat	1,409,527	1,295,922	
	TOTAL ADMINISTRATION	1,704,164	1,804,642	
	TOTAL INSTITUTE	6,576,550	5,393,253	
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