



FOUNDATION FOR DEVELOPMENT AND SOCIAL INNOVATION

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Foundation for Development and Social Innovation (FDSI) presents this situational analysis in the interest of continuing to provide information on the political, economic and social situation in Central America.



Foundation for Development and Social Innovation (FDSI) is committed to being a catalyst for change agents that drive efforts for social, political and economic transformation in Latin America and the United States of America; through the promotion and defense of human rights, freedom, democracy as a political system, the development of institutional strengthening processes of emerging social movements, the promotion of new leadership, innovation and the of information use and communication technologies (ICT) for citizen advocacy.

We are a team of professionals that helps promote sustainable development and social innovation in vulnerable populations in challenging environments. Accompanying local communities to improve their living conditions is one of our commitments. FDSI focuses on fostering meaningful change in people to achieve healthier, more productive, safer and more prosperous environments to improve the quality of life of young people, men, women, boys and girls.

Promoting democratic governance

and human rights Our program seeks to encourage the active participation of young people and women in political and economic decision-making in their communities, as well as to support the defense of human rights and democratic governance.

approach Our is to promote educational initiatives in civics. provide advice and support organizations and social movements to strengthen people's capacity to understand the functioning of the state and society, ensuring compliance with human rights and responsibility to achieve healthier, more productive, safer and prosperous environments.

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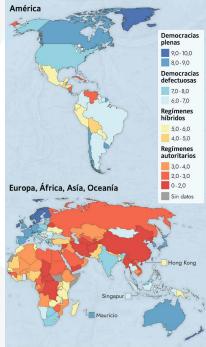
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INTRODUCTION





At present, the situation in Nicaragua has a significant impact on the Central American region.

According to the Democracy Index 2022 prepared by The Economist Intelligence Unit, Nicaragua was classified as a country with a hybrid authoritarian regime, indicating a decline in democratic quality. This report reveals the serious situation faced by the country in terms of democracy and human rights.

In addition, various reports by international organizations support the concern about the concentration of power in the region.

For example, Human Rights Watch in its 2022 report on El Salvador, points out how President Bukele has been undermining democratic institutions and the rule of law, weakening the separation of powers and violating human rights in his attempt to consolidate his control over the country.

As for Guatemala, the UN-backed International Commission against Impunity in Guatemala (CICIG) has played a crucial role in the fight against corruption and impunity in the country. This demonstrates the challenges facing Guatemalan democracy and the need to address the political crisis it faces.

On the other hand, Honduras faces serious problems related to drug trafficking, which affects institutional stability and democratic quality. Several studies, such as the U.S. State Department's Narcotics Control Report, have highlighted the influence of drug trafficking in the country's politics and economy, which represents a significant obstacle to democratic consolidation.

In the face of these problems, it is essential to address the challenges in the region and promote a comprehensive vision of democracy.

As former United Nations Secretary General Ban Ki-moon said: "Democracy is much more than holding elections; it also involves the protection of human rights, citizen participation and equitable access to opportunities.

Only through a holistic approach and collaboration among the countries of Central America will we be able to overcome the challenges and move towards a more just, democratic and prosperous region.

EXECUTIVE SUMMARY

- 1. The situation in Nicaragua marks the region significantly, because some governments may try to replicate the model of concentration of power and systematic violation of citizens' rights that the Ortega-Murillo government is currently managing with impunity.
- 2. The current state of democracy in Central America is delicate, because governments are manipulating laws in their favor, are not respecting the rule of law or citizens' freedoms, and have become hotbeds of corruption and even drug trafficking. In this sense, the case of El Salvador is alarming, as President Nayib Bukele is concentrating power and violating human rights without restrictions. Guatemala has a credibility crisis before the international public opinion, due to the permissiveness with corruption and human rights violations (the country has just gone through an electoral process on June 25, 2023 and due to the results, there will be a second round in its elections for president and vice president). While Honduras is branded as a narco-state due to its links with

drug trafficking groups.



- 3. The Central American region faces the challenge of continuing to develop leadership committed to democratic values and representing real changes to the corrupt and potentially dictatorial political systems of today. In the past, in mobilizing the peace accords, a democracy based on the mechanism of free elections was erroneously promoted, ignoring the fact that democracy represents more than elections.
- 4. The Central American region has de facto integration, not de jure, meaning there are strong

economic interests among large families or economic agents moving money within and outside the region.

- 5. The economy in Central America is extractivist, therefore, it is not committed to a developing region, but to generate more income at the lowest possible cost. This is why we see that the de facto economic powers prefer cheap and unskilled labor, people who function as "operators" and in this way contribute to the strengthening of an unequal model.
- 6. One of the premises for the development of the Central American region is that if we are committed to democratize the region, we must also focus important efforts on the democratization of the economic model.
- 7. Youth, women, marginalized groups and civil society organizations have played a great role in the struggle for human rights and democracy in the region.
- 8. The migratory movement of Central Americans is large and continues to grow, as people seek better employment opportunities,



quality of life and security in other countries such as the United States, Spain and Canada. Others who cannot travel so far prefer to settle in Costa Rica.

JUSTICIA

9. Central American migrants have disadvantages and limitations when integrating socially in the countries to which they migrate. These

countries do not have legal and social support mechanisms to promote social integration, so these people do not have the necessary resources to contribute to their economies.

10. Donation programs to strengthen democracy and human rights are few and with limited funds committed to agendas that are not always inclusive. For this, it requires a common fund is therefore needed to support the strengthening of democracy and human rights, with a view to building a vision as a region based on democratic values.



CHALLENGES OF DEMOCRACY IN CENTRAL AMERICA

The formation of democratic leaders in the Central American region

The Central American region faces the challenge of continuing to train leaders committed to democratic principles and capable of promoting positive change in their respective countries.

Historically, the promotion of democracy has focused primarily on the holding of free and fair elections as a fundamental requirement for the exercise of democracy.

However, this limited vision of democracy has neglected other essential aspects, such as citizen participation, transparency, accountability and the protection of human rights.

According to data from the Human Development Report of the United Nations Development Program (UNDP), citizen participation in the Central American region is low, with an average electoral participation rate of 60% in recent years.

This reflects the need to promote more active and meaningful citizen participation in political decision-making processes.

It is necessary to recognize that democracy goes beyond a simple electoral process and requires a solid institutional base, as well as leaders committed to democratic values.

This implies fostering a comprehensive civic education that promotes an understanding of citizenship rights and responsibilities, as well as respect for diversity and the inclusion of all citizens. diversity and the inclusion of all sectors of society.

It is also essential to strengthen the training of political and social leaders who are capable of advocating for justice, equity and citizen participation in decision-making.

According to the United Nations Global Youth Report 2020, young people represent approximately 25% of the world's population.



Approximately 25% of the population in the Central American region. However, their political participation and access to leadership positions are limited.

It is essential to strengthen the training of young leaders and ensure their effective participation in decision-making, as they are key agents for change and democratic transformation in the region. The promotion of a political culture based on ethics and transparency is also crucial.

According to Transparency International's Corruption Perceptions Index 2021, several Central American countries, such as Nicaragua, Honduras and Guatemala, are among the most corrupt in Latin America.

This highlights the need to strengthen accountability mechanisms and the fight against corruption, fundamental aspects for the development of democratic leaders and the construction of a more just society.

In this context, it is essential to promote training and leadership skills development programs that promote ethics, transparency and commitment to the common good.

This includes the promotion of a political culture based on dialogue, consensus and respect for differences.

According to the World Bank's World Development Report 2018, investing in the training of political and social leaders can have a significant impact on the democratic consolidation and sustainable development of countries.

Likewise, it is important to encourage women's participation in political and social life.

According to data from the UNDP Human Development Report, the political representation of women in the Central American region is low, with an average of only 30% of women in national parliaments.

It is necessary to eliminate barriers and promote equal opportunities so that women can play an active and decisive role in building democracy.



The formation of democratic leaders in the Central American region requires a comprehensive approach that promotes citizen participation, transparency, accountability and the protection of human rights.

With a solid civic education, the strengthening of youth participation, the fight against corruption and the promotion of gender equality, it will be possible to develop leaders capable of promoting positive changes and overcoming the current challenges in terms of democracy and human rights.

The challenge of democratizing the economic model in the Central American region



The Central American region faces the challenge of overcoming an unequal and undemocratic economic model that has perpetuated the concentration of power and the exclusion of broad sectors of society.

According to World Bank data, the Gini coefficient, which measures income inequality, shows that, in countries such as Honduras and Guatemala, inequality has increased in recent years, with a coefficient of 0.55 and 0.53, respectively, where 0 represents 0.55 and 0.53, respectively.

The current extractivist model, based on the exploitation of natural resources without an adequate redistribution of benefits, has generated social and economic imbalances that hinder sustainable development and equity.

According to the Global Witness report on land and natural resource conflicts in 2021, the Central American region is one of the most affected by socioenvironmental conflicts related to resource exploitation, which reinforces the need for a more sustainable and participatory economic model.

It is essential to recognize that democracy is not only limited to the political sphere, but also implies the democratization of economic structures and the promotion of an inclusive and participatory model.

According to the 2020 report of the Economic Commission for Latin America and the Caribbean (ECLAC), citizen participation in economic decision is essential to ensure

democratic and sustainable economic governance in the region.



According to the United Nations Development Program (UNDP), the richest 30% of the Central American population concentrates 65% of the total wealth, which demonstrates the need for measures to reduce the inequality gap.

Greater control and regulation of economic actors is also required to avoid excessive concentration of power and the exploitation of resources without considering the social and environmental impacts.



According to the 2021 Inter-American Development Bank (IDB) report, the Central American region faces challenges in the effective enforcement environmental and labor regulations, challenges in the effective enforcement of environmental and labor regulations, highlighting the importance of strengthening corporate importance strengthening corporate responsibility and sustainability in the economic model.

The democratization of the economic model also implies the need to strengthen mechanisms for citizen participation in economic decision-making, involving different social actors, such as unions, civil society organizations, and local communities.

According to the Citizen Participation Index of the Americas, prepared by the Organization of American States (OAS), citizen participation in the Central

American region is limited, with an average of only 28% of the population actively participating in decision-making processes.

The democratization of the economic model in the Central American region is a key challenge to achieve more equitable and sustainable development.

The aforementioned data, statistics and quotes support the need for concrete policies and actions that promote the fair distribution of wealth, the strengthening of local and sustainable economies, and citizen participation in economic decision-making.



The role of youth and civil society in the struggle for human rights and democracy

Youth and civil society organizations have emerged as fundamental actors in the struggle for human rights and the defense of democracy in the Central American region.

According to data from the United Nations World Youth Report 2020, approximately 40% of the Central American population is made up of young people between the ages of 15 and 29, which highlights the importance of their active participation in the construction of more just and democratic societies.

Central American youth, in particular, have raised their voices and played a leading role in the promotion of social justice, civic participation and the demand for their rights.

According to the Report on Youth in Latin America and the Caribbean 2020 of

the Economic Commission for Latin America and the Caribbean (ECLAC), youth movements have been key in demanding structural changes to address inequality, violence and lack of opportunities in the region.

Civil society organizations have also played a key role in defending human rights and promoting democracy.

According to the Report on the Situation of Human Rights Defenders in the Americas 2020 of the Inter-American Commission on Human Rights (IACHR), civil society organizations play an essential role in documenting human rights violations, political advocacy and citizen mobilization to generate meaningful change.

It is important to note that these youth and civil society voices have faced numerous challenges, including repression, stigmatization and criminalization of social protest.

According to Amnesty International's Annual Report 2022, there have been cases of repression and violence against protesters and human rights defenders in the Central American region, underscoring the importance of ensuring their safety and protection.

It is essential to recognize and strengthen the role of youth and civil society in the promotion of human rights and democracy.

According to the CIVICUS Monitor's Global Civil Society Report 2020, it is necessary to provide them with spaces for participation, support and recognition so that they can continue to contribute to the

construction of more just and democratic societies.

Youth and civil society organizations are key actors in the struggle for human rights and the defense of democracy in the Central American region and urge us to value their courage, commitment and mobilization in the search for more just, equitable and democratic societies.

The migratory movement and its challenges in the search for opportunities

The migratory movement in the Central American region has reached significant proportions in recent years.



According to data from the International Organization for Migration (IOM), it is estimated that between 2010 and 2020, more than 9 million people from the Central American region migrated to other countries in search of better opportunities and living conditions.

In addition, the IOM's World Migration Report 2020 highlights that most migrants from the Central American region go to neighboring countries, such as the United States, Mexico and Canada, in search of employment and economic stability.

A New York Times investigation reflected that more than 180,000 Nicaraguans migrated to the United States in 2022, in addition to more than 154,000 Nicaraguans requested political asylum in Costa Rica between 2018 and 2022.

According to data from UNHCR, the UN Refugee Agency, more than 294,000 people from the Central American region requested international protection in 2020 due to violence, persecution and lack of security in their countries of origin.

However, migrants from the Central American region face numerous disadvantages and constraints

as they attempt to socially integrated in destination countries.

They often lack the necessary legal and social support mechanisms to facilitate their integration and ensure that they have the necessary resources to contribute to the host economies.

It is essential to address the challenges of migratory movement in the region from a comprehensive perspective. It is necessary to promote inclusive economic development and reduce inequality in the countries of origin in order to provide opportunities and improve people's living conditions.



It is crucial to recognize that migrants not only seek better opportunities for themselves, but also contribute to the societies of destination.

Their economic, cultural and social contribution is valuable and enriches the communities in which they settle.

However, a comprehensive approach is required to address the challenges and needs of migrants.

This implies establishing policies and programs that promote safe, orderly and regular

migration, as well as ensuring the protection of the human rights of migrants at all stages of their migratory journey.

In addition, it is essential that countries of origin, transit and destination work in a coordinated and collaborative manner to address the structural causes of migration and seek sustainable solutions.

This involves promoting inclusive economic development, combating inequality, strengthening access to education and generating decent employment opportunities in countries of origin.

Greater regional cooperation and a multilateral approach to address the structural causes of migration, such as poverty, violence and lack of opportunities.

As the Inter-American Development Bank (IDB) points out, strengthening investment in education,

infrastructure and job creation in the region can help reduce migration flows and promote sustainable development.

Migration in the Central American region is a complex phenomenon that reflects the challenges and aspirations of people in search of better opportunities.

It is essential to address this issue from a comprehensive perspective, promoting economic development, security and the protection of the human rights of migrants.





Strengthening cooperation and financing for democracy and human rights in Central America

The migration movement in the Central American region has reached significant proportions in strengthening cooperation and funding for democracy and human rights in Central America is crucial to promote progress in the region.

According to data from the UN World Report on Democracy, there is a positive correlation between investment in democracy support programs and the strengthening of democratic institutions.

However, the availability of grant programs and funding to strengthen democracy and human rights in the Central American region is currently limited.

According to a report by the International Institute for Democracy and Electoral Assistance (IDEA), investment in democracy support in Latin America and the Caribbean represents only about 1% of official development assistance.

There is a need to increase investment and establish a common support fund to comprehensively address the region's democracy and human rights challenges.

According to the Report on the State of Democracy in Latin America 2020 of the Organization of American States (OAS), the strengthening of democratic institutions requires sustainable and adequate funding to achieve significant results.

This pooled support fund must have an approach based on democratic values and human rights

As mentioned in the UN World Report on Democracy, strengthening democratic governance, citizen participation and the protection of fundamental rights are essential to ensure stability and progress in the region.

In addition, regional collaboration and strategic alliances are essential to address common challenges.

According to World Bank data, regional cooperation can generate synergies and promote effective solutions to regional problems, such as corruption and lack of transparency.

To ensure the effectiveness and positive impact of the common support fund, monitoring and evaluation mechanisms must be established.

This will make it possible to measure results, identify areas for improvement and ensure the correct use of resources. Transparency and accountability are essential to strengthen confidence in democratic processes.

Strengthening cooperation and funding for democracy and human rights in Central America is essential to promote sustainable development and stability in the region.

Through a comprehensive approach, increased investment and regional collaboration, progress can be made towards a Central American region that is more democratic, just and respectful of human rights.

The role of the international community in the promotion of democracy and human rights in Central America

The promotion of democracy and human rights in the Central American region is not only the responsibility of the countries of the region, but also a commitment of the international community.

The support and cooperation of international actors play a crucial role in strengthening democratic governance, protecting fundamental rights and building more just and equitable societies.

According to the United Nations Development Programme (UNDP) World Report on Democracy 2020, the international community plays an essential role in promoting democracy and human rights globally.

The international community must strengthen cooperation ties with Central American countries, establishing strategic alliances that allow addressing the challenges faced by the region in a comprehensive manner. This implies channeling financial, technical and human resources to programs and projects that promote democracy, justice and respect for human rights.

In addition to financial support, it is essential to provide technical assistance and training to strengthen the institutional capacities of Central American countries. This includes strengthening judicial systems, promoting transparency and accountability, training public officials and promoting a culture of respect for human rights.

The international community can also play an important role in promoting dialogue and mediation in situations of political and social conflict in the region. Through their influence and experience, they can facilitate dialogue between political and social actors, promote reconciliation and contribute to the consolidation of peace and stability in the region.

It is important for the international community to work closely with national actors and civil society in the region, respecting the autonomy and particularities of each country.

Building alliances based on mutual respect and solidarity will make it possible to achieve more effective and sustainable results in the promotion of democracy and human rights.

The strengthening of democracy and the promotion of human rights in Central America require a joint and coordinated commitment of national and international actors.

The international community has an important role to play in channeling resources, providing technical assistance and promoting dialogue. Working collaboratively, challenges can be overcome and more just, inclusive and democratic societies can be built in the Central American region.

CONCLUSIONS

A. The situation of democracy in Central America presents significant challenges that require urgent attention and concrete actions. Throughout this document, we have analyzed various aspects that affect the quality of democracy in the region and have identified key areas for advocacy and the strengthening of democracy.

B. We have highlighted the worrying concentration of power in some governments, as in the case of Nicaragua, and the risk that this dynamic will be replicated in other countries in the region. In addition, we have highlighted the manipulation of laws and mechanisms for their own benefit by some governments, as in El Salvador and Guatemala, as well as the problem of drug trafficking in Honduras.

C. The formation of democratic leaders and the need for a comprehensive vision of democracy beyond free elections have also emerged as crucial aspects to address in the region. We have also analyzed the influence of economic interests and the extractivist model that perpetuates inequality and the lack of democratic development in Central America.

D. It is essential to recognize the fundamental role of youth and civil society organizations in the struggle for human rights and democracy in the region. Their activism and mobilization have proven to be agents of change and should be supported and strengthened.

E. In addition, we cannot ignore the growing migration phenomenon in the region, where people seek better opportunities and security in other countries. It is necessary that receiving countries implement legal and social mechanisms that promote the integration of migrants and provide them with the necessary resources to contribute to their economies.

F. Finally, it is imperative that there be greater financial and donor support to strengthen democracy and human rights in Central America. The creation of a regional pooled fund to promote democratic values and support advocacy initiatives is critical to achieving sustainable change in the region.

In summary, the situation of democracy in Central America requires a comprehensive and coordinated approach. It is necessary to strengthen citizen participation, promote a democratic vision at all levels, foster economic and social equality, and support civil society organizations and youth in their efforts to defend human rights and democracy.

The region has enormous potential, but to achieve its full development and overcome current challenges, it is essential that political actors, donors and activists work together and prioritize the strengthening of democracy in Central America.

With these conclusions, we reaffirm our commitment and call to action to promote positive change in the region.

Together, we can build a more democratic, just and prosperous Central America for all.

