

# CHALLENGES TO DEMOCRACY IN LATIN AMERICA



DEMOCRATIC SOLIDARITY  
2026

## INTRODUCTION

Democratic Solidarity (DS), a project of the Forum 2000 Foundation, seeks to foster effective international solidarity in Latin America to promote democracy and its values. DS was created as a regional platform to generate ideas, cooperation, and concrete responses that strengthen democracy, support democratic transitions from dictatorships, and express solidarity with victims of human rights violations. DS acts as a group defending democratic principles and institutions whenever they are under threat. In DS meetings, members aim to identify the current challenges and most serious pitfalls facing democracy in the region and to propose solutions and concrete steps to address them. For this purpose, DS annually publishes the report *Challenges to Democracy in Latin America*, which defines the major issues shaping the future of democracy in the region in the coming year.



# VENEZUELA, MADURO'S FALL, AND UNCERTAINTY ABOUT THE FUTURE OF DEMOCRACY

On January 3, the **United States** carried out a military operation in Venezuela that ended with the arrest and transfer to U.S. territory of the then (de facto) president Nicolás Maduro and his wife, Cilia Flores, to be tried in New York on charges related to drug trafficking. The military operation and the dictator's downfall were met with joy by the vast Venezuelan diaspora. However, doubts about the future of the South American country quickly emerged.

This episode has only just begun; its course and outcome are, for now, unpredictable. A dictator has fallen and will face trial. This is always a positive development. On the other hand, Delcy Rodríguez, Venezuela's newly installed leader, has no democratic credentials and represents a clear continuity with the previous regime. Therefore, doubts persist. What role will the **United States** play in Venezuela? What might be the next steps of Venezuela's president-elect, Edmundo González, and Nobel Peace Prize laureate María

Corina Machado to consolidate a democratic transition? To what extent will drug cartels and other criminal groups continue to operate on Venezuelan territory? Will this be the beginning of a democratic transition that distances the country from the interests of foreign forces such as **Cuba, China, Iran, and Russia**? What role will the international democratic community and the Latin American community play throughout this process?

Venezuela's fate will largely determine the fate of democracy in the region. For this reason, it is essential that the international democratic community and, in particular, the Latin American one, raise their voices to demand the return of democracy in the Bolivarian Republic, the unconditional release of all political prisoners, and the restoration of the rights to peaceful assembly and protest, association, expression, and political participation.

## LATIN AMERICA AT A GEOSTRATEGIC CROSSROADS

At the end of 2025, the publication of the **United States National Security Strategy** revealed the explicit return of the Monroe Doctrine adapted to the contemporary context, with a geopolitical focus on ensuring U.S. primacy in the Western Hemisphere and limiting the advance of external powers such as China and Russia. The action in Venezuela may be an example of its implementation.

In parallel, **China** published its third Policy Paper toward Latin America and the Caribbean, presenting a narrative of "horizontal" cooperation based on shared development, non-interference, and strengthening the Global South. Hence **China's** response to events in Caracas: demanding Maduro's safety and freedom. It is worth noting that Beijing's representatives were on an official visit to Caracas in those early days of 2026. However, **China's** strategy has well-defined geopolitical objectives: reducing regional support for Taiwan, consolidating diplomatic backing in multilateral forums, and deepening long-term economic dependencies.

One of **China's** major bets in the region is the mega-port of Chancay in **Peru**, operated by Cosco Shipping Ports Chancay Perú S.A. (CSPCP) and involving an investment of USD 1.3 billion. One year after its inauguration, the project that sparked so much debate is beginning to show seemingly positive results, reducing transport times between **Peru** and **China** and generating benefits for trade between both countries.

The **United States** now appears interested in counterbalancing **China's** presence in the region, but it is still unclear whether it will do so only through tariffs, pressure, threats, and military and economic interventions (sanctions), or whether it will also involve financial efforts that could bring benefits to the continent.

At the same time, progress toward approving the EU-Mercosur agreement could act as a counterweight to **U.S.—China** geopolitical tensions, offering an institutional anchor that helps moderate ideological drift and strengthen the region's international cooperation. The EU is already one of Latin America's main trade partners and investors, and approval of the agreement, now increasingly close to being finalized, would provide Latin America with a deep, rules-based partnership with another major pole of the global economy. However, bureaucratic and political obstacles in the EU show no signs of abating. The only question left is whether Brussels will rise to the challenge of the times. If the EU makes concrete progress on this agreement, it could consolidate itself as a relevant and predictable actor in a fragmented global environment; otherwise, it risks losing influence to other powers competing for ties with Latin America.

## THE NEW LATIN AMERICAN POLITICAL MAP

The year 2025 marked a series of key electoral processes that, beyond their outcomes, raised alarms about the importance of institutions and electoral bodies, and challenged civil society to consider how to contribute to their independence and functioning in the face of pressures from those in power.

Results in **Argentina, Bolivia, Chile, and Honduras** appear to point to the collapse of left-wing governments and a shift to the right across the region. Even so, it is too early to know whether this trend will persist or what its real impact will be. But if these elections made one thing clear, it is that Donald Trump's administration will not remain indifferent to electoral contests in the region. In **Argentina** and **Honduras**, and even before elections were formally discussed in **Brazil**, the **U.S.** president has not hesitated to express sympathy for aligned candidates and to threaten a withdrawal of support if they did not win. It remains to be seen whether the region will experience a resurgence of nationalism/anti-imperialism and how this will affect candidates backed by Washington.

In 2026, **Brazil, Colombia, Costa Rica, Peru**, and probably **Haiti** will go to the polls to elect presidents. Given the strategic importance of these countries for the **United States** (especially **Colombia** and **Brazil**), it is to be expected that Washington will also seek to play a leading

role in the contest. At the same time, Trump's influence has also been felt through the promotion of conservative and ultra-conservative movements such as **CPAC** or the **Madrid Forum**, which have consolidated structures in Latin America, ready to compete for space against the São Paulo Forum and the Puebla Group. In this polarized scenario, one of civil society's greatest challenges will be to stay outside the ideological war and uphold positions grounded in the rule of law, tolerance, and democratic respect.

In this context, the challenges for new governments are significant. To mention just a few: in **Bolivia**, Rodrigo Paz will need to reactivate a crisis-hit economy without a strong party structure, making it difficult to achieve the necessary consensus in a highly polarized country. In **Honduras**, the next government will face similar challenges, aggravated by a state of emergency related to security. Meanwhile, **Chile's** president-elect, José Antonio Kast, will face the challenge of building and leading a coalition capable of delivering concrete answers to the Chilean population.

Latin America begins 2026 with the rise of center-right and right-wing governments. These affinities may bring immediate gains, but it remains to be seen whether they will produce sustainable solutions. For that, civil society must become a force for cohesion and demand stable, long-term state policies oriented toward the regional interest.

## ORGANIZED CRIME, CITIZEN SECURITY, AND THE UTURE OF DEMOCRACY

As in other regions, transnational criminal organizations in Latin America have increasingly understood that it is not enough to confront the state: they need to forge links with governments and officials. At the same time, authoritarian regimes have found an ally in organized crime that finances their personal enrichment, their campaigns, and, in some cases, provides mutual protection.

The case of *Tren de Aragua* and the *Cartel of the Suns* in **Venezuela** is emblematic. After Hugo Chávez came to power (in 1999), the border with Colombia opened to the presence of the FARC, its dissident factions, and the ELN, creating an ideal environment for drug trafficking. With the radicalization of the Bolivarian government, ties between these groups and Venezuelan authorities grew to the point that figures such as former President Nicolás Maduro himself and his Interior Minister Diosdado Cabello have been identified as leaders of the Cartel of the Suns.

However, **Venezuela** is neither unique nor isolated. In **Ecuador**, the rise of gangs such as Los Lobos, operating across multiple provinces and linked to transnational cartels (mainly from **Mexico**), has been accompanied by an increase in homicides, clashes among groups, and crises in the prison system. In **Mexico**, cartels continue expanding their influence, with high levels of structural violence,

and in **Brazil**, organizations such as *Primeiro Comando da Capital* (PCC) and *Comando Vermelho* maintain a significant presence both in the prison system and in urban peripheries.

The evolution of this phenomenon is now transnational. Terrorist networks linked to Iran and Hezbollah launder money in the region with support from local cartels, showing that organized crime has ceased to be a domestic issue and has become a diversified structure that crosses borders and erodes the institutions tasked with combating both mafias and authoritarianism.

Since taking office, Donald Trump has launched anti-narcotics operations in the Caribbean. Although their effectiveness is uncertain, particularly against decentralized criminal structures, the troubling measure (considered by many to involve extrajudicial executions) has drawn criticism. The arrest of Nicolás Maduro and his wife and their trial in New York is another step in that same effort to control drug trafficking in the hemisphere, but doubts remain as to whether this is only the beginning and whether it will have a real impact.

Citizens demand security. And if governments, including that of the **United States**, want to respond, they must

understand that no country can confront organized crime or associated authoritarianism alone. Regional, and even global, cooperation is indispensable.

In addition, rising levels of violence and homicide and the growing presence of organized crime, with unprecedented acts of violence, create perfect conditions for the rise of authoritarian and illiberal forces that endanger the rule of law, human rights, and democracy in the region.

The challenge is to find a balance between security and democracy, between firmness in combating crime and respect for the rule of law. Although clear in theory, this balance is not always easy to identify amid national turmoil. In this context, civil society organizations, media, and universities must provide clarity, avoiding endless moral debates or simplistic solutions that only fuel populist responses.

## BETWEEN DEMOCRATIC SUPPORT AND CITIZEN FRUSTRATION

The most recent edition of Latinobarómetro offers mixed signals. On the one hand, support for the democratic system reaches 52%, recovering from lower numbers and showing democratic resilience across the continent. On the other hand, dissatisfaction with how democracy works, although somewhat lower than in previous years, remains high: 64%. Added to this is a worrying figure: the number of Latin Americans who believe democracy could function without political parties (42%) and without Congress (39%) is growing.

This disillusionment has clear roots. In much of the region, democracy has failed to deliver effective responses to citizens' demands. The persistent gap between wealth and poverty and the lack of opportunities fuel the perception that democracy does not "deliver." A case to watch will be **Bolivia**: after nearly two decades of an increasingly authoritarian socialist experiment, it is now governed by the administration of Rodrigo Paz, whose mandate rests on the promise of restoring both democratic order and economic functioning. It remains to be seen whether in 2026 this government will begin to meet these expectations

or whether the disappointment of the 2019–2020 interim government will be repeated.

The reformist ambitions of Javier Milei in **Argentina**, Bernardo Arévalo in **Guatemala**, and Daniel Noboa in **Ecuador**, despite their differences, open a similar expectation across various national settings: the promise to break political inertia and offer more effective responses. The question is whether these leaders can translate reformist momentum into more functional institutions and sustainable public policies or whether, on the contrary, they will deepen the popular frustration that runs through the region today.

And the challenge goes beyond any individual leadership. It is not a problem with a simple or immediate solution. Inequality and poverty in Latin America have structural components and carry historical factors that limit governments' room for maneuver. Therefore, the central challenge is to rethink the state apparatus and its institutions to make them more efficient and enable citizens to access the benefits of democracy in a real and sustained way.

## REGIONAL INTEGRATION: OPPORTUNITIES AND CHALLENGES

As the section on transnational crime has made clear, intra-regional cooperation has become imperative and represents an opportunity: it would not only protect the region's security but also generate the political trust needed to move toward deeper integration that reduces vulnerabilities and increases room for maneuver vis-à-vis external actors. However, intra-regional trade in Latin America remains low. Existing mechanisms, such as Mercosur, the Pacific Alliance, and the Andean Community, have had uneven impacts due to political tensions, regulatory differences, and diverging national priorities. This fragmentation undermines competitiveness and reduces the region's collective capacity to position itself strategically in the global economy.

Even so, the region has structural advantages that could propel deeper integration. The abundance of natural resources critical to the energy transition, proximity to

major markets, and the possibility of building regional value chains provide solid foundations to energize economies, create quality jobs, and address internal disparities. Greater coordination in trade, regulation, and labor mobility could translate into higher investment and productivity.

A timely example is the significant reserves of rare earths. **Brazil**, for instance, holds around 23% of global reserves, making it one of the main potential sources outside Asia. However, intermediate processing capacity, i.e., the transformation of minerals into usable products, remains concentrated in **China**, which dominates most global refining. This keeps Latin America in the role of a raw-material supplier with little added value. Without investment in industrial infrastructure and robust environmental and social regulations, rare-earth exploitation could reproduce patterns of external dependence and generate local tensions.

Strengthening integration can also help tackle structural problems such as inequality and poverty, which erode democratic legitimacy. Larger, more connected markets would reduce logistical costs, expand job opportunities, and improve the provision of goods and services. Despite its problems, Mercosur shows the region's integration potential. Since its creation, trade among member countries has grown from about USD 4.5 billion in 1991 to more than USD 33 billion in 2019, more than a sevenfold increase.

But for these benefits to continue materializing, it is essential to advance on infrastructure, digital connectivity, and common regulatory frameworks that ensure shared gains. For regional integration to become a true engine of inclusive development, it will be necessary to sustain stable political leadership, strengthen institutions, and prioritize state policies that seize opportunities without reproducing historical asymmetries.

## ISSUES TO WATCH IN 2026

- **Venezuela–United States relationship: the end of authoritarianism?** U.S. pressure opens the door to speculation about the possible fall or gradual liberalization of the authoritarian regime in the South American country. If that were the case, it is possible that an expanding wave stemming from the end of authoritarianism in Caracas could affect other regional authoritarian regimes, such as **Cuba** and perhaps **Nicaragua**.
- **Geopolitical positioning:** What course will the region take in the power struggle between the **United States** and **China**? What will be the impact of the U.S. national security strategy on the region? What will happen to the Mercosur–EU agreement?
- **Brazil, Colombia, Peru, and Costa Rica** will hold presidential elections. Outcomes in these countries remain open, though a reversal of the trend away from incumbents is possible.
- **El Salvador** will hold presidential elections in February 2027, and it is expected that throughout 2026 further institutional and legal changes will be made to favor President Nayib Bukele's candidacy and position, further shrinking democratic space.
- **Elections of judicial officials in Guatemala.** This year, authorities will be renewed in the Public Prosecutor's Office (a bastion of the so-called "Pact of the Corrupt" in recent years), the Supreme Electoral Tribunal, and the Constitutional Court. This is a key process that will shape Guatemala's democratic direction with regional impact.
- **The Organization of American States (OAS) in the regional context:** Former Surinamese Foreign Minister Albert Ramdin completes his first year as secretary-general of the regional organization amid significant challenges (**U.S.** actions in the Caribbean and **Venezuela**, the migration crisis, widespread violence in **Haiti**). It is still too early to draw conclusions, but it will be interesting and important to see how he manages the balance in his positions amid strong regional tensions.
- The evolution of the migration crisis: With **Venezuela** as the main origin of flows moving through South America and the Caribbean northward, all governments in the hemisphere face growing pressure. The scale of these movements generates not only social and political tensions but also expanded opportunities for organized crime. Social reaction, fueled by fear, disinformation, or institutional fatigue, opens space for populist responses that deepen democratic fragility and contribute to the region's institutional decay.
- **Artificial intelligence challenges:** The region shows high levels of AI adoption. According to the Digital Consumer Insights 2024 survey, 76% of digital respondents in **Brazil** and 70% in **Mexico** reported using generative AI (LLMs), exceeding the global average of 66%. However, these figures are not matched by investment levels. Investment remains worryingly low: while the region represents 6.6% of global GDP, it receives only 1.12% of global AI investment.





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