Democratic government combines two central ideas: that those who rule should do so in the public interest; and that they will be more likely to do so when they are, in some way, representative of, and/or answerable and responsible to those they rule. By linking the demand that those who rule do so in the interests of the people with attempts to make them representative of and/or accountable to the people, democratic theory sets out a simple and seemingly attractive model of good government. Representation narrows the distance between rulers and ruled to ensure a consistency of interest; accountability ensures that rulers do not stray from that path. A democratic government in which rulers are representative and accountable to those they rule, and in which they (accordingly) rule in the public interest, will also, it seems, be legitimate.

In fact, legitimacy may part company with accountability, representation, and rule in the public interest. *De jure* legitimacy, the claim to have the right and authority to act by virtue of the institutional location and role one occupies, does not guarantee *de facto* legitimacy - the ability to make that claim stick with those over whom one attempts to exercise authority. Nor, indeed, is it a necessary condition for it. The capacity of rulers to meet the adjective through the verb – to claim to be legitimate because they are able in practice to legitimate their rule – that is, to get it accepted as authoritative by those subordinate to it – is a matter of quotidian historical record. Representation and accountability are also not without difficulties. That the political system is representative of its people may contribute to its legitimacy; but where it represents faithfully the deep ethnic or religious conflicts of a society and reproduces rather than mediates those divisions in its political order, then the legitimacy of that order will not be enhanced. That those in power are accountable to those whom they rule may contribute to their legitimacy, but it will not do so where the accountability mechanisms crowd out the possibility of public office as a trust. If we do not trust our political institutions and if try to eradicate discretion and leadership in public office in favour of the detailed regulation of their conduct, we effectively turn accountability into the oversight of specific delegated functions, and they lose any independent authority. At the same time, those able to ensure their *de facto* legitimacy, perhaps through charisma or output, may succeed in turning their accountability into a matter of simple plebiscitary endorsement.

The view that there is a natural convergence between representation, accountability, legitimacy and democratic rule is flawed. Each concept has a descriptive sense in which a variety of meanings can be tolerated and a variety of practices encompassed – representation ranges from virtual representation to delegacy; accountability, from detailed scrutiny and regulation through to plebiscitary endorsement; legitimacy, covers both juridical and descriptive senses, and its focus varies from the nature of the command to the type of compliance that is forthcoming; and democratic rule, as a combination of these elements, offers us a wide span of examples depending on how far the term is taken to be wholly descriptive or projecting an ideal. In so far as we
believe we need political systems in which rule is representative, accountable, and
commands legitimacy, we must be precise in the specification of each of these
components. Moreover, the normative weight of the final model will not be derived
from it being accountable, representative, legitimate, or, indeed, democratic (since it
is not these things *simpliciter* but will instantiate a particular version of each of these
features); it will depend on the other values we see these different elements as
serving.

These difficulties are considerable at the level of sovereign nation states. They are
further magnified when applied to international institutions, especially since these, for
the most part, do not claim for themselves the title of democratic, may be reluctant to
countenance the possibility that they should be representative, and are doubtful about
where and to whom it is appropriate to concede accountability. They do, however,
for the most part, think of themselves as legitimate. Yet, a considerable number of
voices have attacked their legitimacy, and have done so on the grounds that they are
not democratic, representative or accountable. My view is that these criticisms need
to articulate and defend the plausibility of the particular conceptions of legitimacy,
accountability, etcetera, that drive them. It is also my view that we may need quite
different, and not especially democratic strategies to address the legitimacy and
accountability of such institutions.

My case study is the World Bank and its policy towards corruption since 1996. The
Bank’s charter expressly precludes the Bank from making loans on the basis of
political or other non-economic considerations, and until 1996 this was taken to
mean that the Bank could not make decisions about loans on the basis of information
about corruption or poor governance. In October 1996 Wolfensohn’s address to the
Annual Meeting of the Bank directly identified corruption as a cancer and a barrier to
development. In September 1997 the Bank published *Helping Countries Combat
Corruption: The Role of the World Bank*. In chapter 3 the report claimed that the Bank
did in fact have a legal mandate, citing their General Counsel:

> The World Bank can hardly insulate itself from the major issues of
> international development policy. Corruption has become such an issue.
> …The Bank can, in my view, take many actions to help the fight against
> corruption. It can conduct research on the causes and effects of this worldwide
> phenomenon. It can provide assistance, by mutual agreement, to enable
> borrowing countries to curb corruption. It may take up the level of corruption
> as a subject of discussion in the dialogue with borrowing members. And if the
> level of corruption is high so as to have an adverse impact on the effectiveness
> of Bank assistance, according to factual and objective analysis, and the
government is not taking serious measures to combat it, the Bank can take this
as a factor in its lending strategy towards the country. The only legal barrier in
this respect is that in doing so the Bank and its staff must be concerned only

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2 Articles of Agreement 5 (b) ‘The Bank shall make arrangements to ensure that the proceeds of any
loan are used only for the purposes for which the loan was granted, with due attention to considerations
of economy and efficiency and without regard to political or other non-economic influences or
considerations.’
with the economic causes and effects and should refrain from intervening in the country’s political affairs.

Since then, anti-corruption programmes and a concern with governance has become an increasingly important plank in the activities of the Bank. Countries in receipt of loans have signed up to advice on good governance from the Bank, and some degree of conditionality has been introduced into the Bank’s lending in a number of cases (especially in the financing of public sector reform). As we have seen, the rationale for this extension of the remit is the claim that corruption has a substantial retarding influence on economic development and poverty reduction.

These changes in Bank policy and in its interpretation of its founding statute are dramatic and are having an increasing impact on the way in which the Bank deals with developing countries. Nonetheless, the change in policy was welcomed by most as perfectly legitimate – since the logic that links corruption to poverty and slow development is sound (up to a point); because the Bank had been extensively criticised for making loans to states that subsequently embezzled much of the money away, further exacerbating debt and poverty and funding often pretty brutal and ruthless political regimes; and, perhaps, because 5(b) was seen as less pressing following the end of the Cold War.

In many respects, moreover, it does seem to be a change for the good, and the Bank’s officers have contributed in many contexts to diminishing the impact of corruption both in relation to Bank projects and more widely. I write this as a scandal breaks over the Bank’s loan to Kenya of $25m, despite evidence of extensive corruption provided by John Githongo. But this largely confirms the legitimacy of the Bank’s move, since the thrust of the outrage is, in effect, to demand that the Bank be more rigorous in its implementation of its own anti-corruption stance.

The worry is where the worry has always been in relation to the Bank: namely, that its understanding of economic development is one that is heavily premised on the free-market model, and its account of the structures that will assist in fighting corruption are similarly influenced by free-market principles – despite the important comments by Stiglitz in 1999 about the importance of taking a wider view.

Current Bank anti-corruption policy identifies five major planks:
Increasing Political Accountability
Strengthening Civil Society Participation
Creating a competitive private sector
Institutional restraints on power
Improving public sector management.

I focus only on the first of these: ‘Political accountability refers to the constraints placed on the behaviour of public officials by organisations and constituencies with the power to apply sanctions on them. As political accountability increases, the cost to public officials of taking decisions that benefit their private interests at the expense of the broader public interest also increase, thus working as a deterrent/disincentive to corrupt practices.’

5 http://web.worldbank.org/WBSITE/EXTERNAL/TOPICS/EXTPUBLICSECTORANDD
This fudges formal and political accountability and derives the conclusion that political accountability requires meaningful political competition – in which ‘it is imperative that political parties (themselves) be held to high standards of accountability’ – tight controls over party financing; transparency of political decision making, with the development of a free press; and the development of facilitating rules and legal instruments.’ Anti-corruption has been wedded to good governance that in turn is articulated wholly by western liberal-democratic norms.  

Does this policy meet its own standards for accountability? The development of the anti-corruption policy was led from the front, by Wolfensohn. The 1996 speech was an opening move re-enforced by subsequent speeches and commitments in the following years. It fuelled the growth of a substantial anti-corruption section in the Bank and drove research developments in the World Bank Institute that have sought to establish that corruption is a major constraint on development and that competitive politics and free market economies are essential to minimize corruption and promote growth.

The structure of the Bank’s voting system – in which votes are proportional to contribution – tend to reinforce western views; and there are clearly difficulties for developing countries in taking a principled stand against anti-corruption measures. Both factors ensure that these measures (which involve an often highly freighted conception of corruption) have not been widely challenged within the Bank. Moreover, at an individual country level, resisting the Bank’s advice and its measures is less attractive the more a country needs loans and support. Bi-lateral bargaining is dramatically asymmetric, further enhancing the Bank’s ability to impose an agenda that extends its remit and warrants interference in the domestic political organisation of states. Moreover, the Bank can claim de facto legitimacy simply because it can make its requirements stick and can ensure that countries comply (and it implies that it has the de jure remit and the evidence to support its claims).

None of this looks very democratic, accountable, or representative, and it is clear that its legitimacy is denied in some quarters. But it is far from clear what enhancements on these dimensions we should call for. My sense is that the Bank is right to be concerned with high-level corruption in relation to economic development, but increased accountability to its stake-holders might only increase the influence of countries whose political elites are implicated in various corrupt practices, so too would increased representation. The legitimacy of the Bank’s strategy is a classic case of legitimation through effective power (backed by the odd memo from the general legal counsel) and outcome. Since the Bank deals largely with the political elites of developing countries, they can get their policy to command acquiescence because those in power want the Bank’s money and are fully aware that loans and projects will, in the short run at least, enhance their own political standing in the country.

This juggernaut is difficult to steer, and such steering cannot be achieved by popular politics, protest or some form of public accountability. But one point at which the policy must be attacked is its evidence base and the quality of the research that it uses.

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6 See Daniel Kaufmann’s ‘Myths and Realities of Governance and Corruption’
to justify its claims. The Bank has a strong sense of the legitimacy of what it does and its reliance on empirical research (heavily weighted to the work of the World Bank Institute) is central to that sense (the country-based assessments do not in fact draw on the governance indicators that the WBI has developed, but the legitimacy of the anti-corruption strategy does rest on the claim that corruption is directly implicated in poverty and poor development). It is on the basis of that research that some of the claims about the value of public accountability and free market mechanisms in the fight against corruption have been made. The critique of that evidence and its subsequent claims is one way in which the Bank can be held accountable for its strategy, and can be challenged over elements of its programme. Doing this would hold it to account in terms of its own principles and values, in a way that would question the legitimacy of its policy within the international community of policy makers and social scientists, and that in turn would have an impact on what it can legitimate to its member states. It would not call off the anti-corruption programme (which would be a retrograde step); but it might have an impact on the confident association between various elements of governance and corruption; and this might encourage a much more careful and local set of strategies in relation to corruption that are driven less by confidence in accountability and the market, and more by an understanding of where the political system is and how it may be guided to ensure that loans and aid really make the contribution to development and poverty reduction that the Bank wants to see. It may not sound a very dramatic strategy – and it hardly competes with a demand for more democracy; but it might be more feasible and better attuned to the realities of institutional governance, policy-making and implementation in this particular international organisation than more populist strategies.

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7 Worryingly, although the Bank does not use the governance indicators in its assessment of loan applications, those indicators do feature prominently in assessments for the USAid Millennium Challenge Account.