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***International Organizations (World Bank, IMF, EU) as catalyst of democratic values, rule of law and human rights – successes and limits***

***A discussion paper for the panel:  
„Survey of Civic Education and Human Rights Curricular Materials  
Disseminated by major International Organizations“  
In Denver/Colorado September, 2006-09-13***

**1. Introduction: Democracy and Human Rights as guides to a cosmopolitan world?**

In this paper I will deal with some aspects of the wider question whether “global players” in field of economic and cultural development cooperation can be successful in influencing other governments and their people to cope with the challenges of modernization. How does *multilateralism* work? Are the international organisations such as the IMF; the World Bank and the European Community (EU) strong enough to influence the behaviour of other people so that the expectation might not be completely unrealistic that we are going to build (to establish) a “*world polity*” (“Weltkultur”; John W. Meyer) or “*global citizenship*” (April Carter). Do we approach a more *cosmopolitan* world, emerging out of modernity, in which individuals have rights and duties under international law, and political activity increasingly transcends national frontiers? Can we hope that America’s ideas of constitutional government and civic education will convince other people with different experience (for example colonial rule and prevailing poverty) to follow this early experiment in “good governance”?

In the course of the 1990s, the promotion of democracy, the strengthening of good governance and the enhancement of the rule of law have progressively become both an objective and a condition for the assistance of the international finance institutions (IFIs). But the technocratic consensus impregnating the IFIs aid regime has obliged them to address political problems – like widespread official *corruption*, which is a central issue of this paper – with technical solutions “in the straightjacket of complex decision-making processes and intricate management procedures” (Santiso 2002: 107). Can that work?

Even though the European Community is a major contributor to official development assistance, it has remained a political dwarf in the global aid regime. The EU is being perceived more as a funding agency than a development partner with clearly demarcated aid strategies. The development agenda continues to be set by the IFI (i. e. IMF and World Bank) in which the EU’s voice remains fragmented (Santino 2002: 108). But one objective

combines all international aid organizations mentioned above: their managements feel obliged to “export” or encourage *cosmopolitan objectives* in countries outside the European-American World, the so called Atlantic world of industrially developed democracies: democracy and human rights, civil society, rule of law and private market economy. But with realizing these noble objectives, people face a severe *dilemma*: history shows that “progressive” value systems (democratisation) cannot be enforced from the outside, as long as the dominant power groups (businessmen, professionals, intellectuals and political elites) are reluctant to embark on the risky experiment of transition to democracy.

The *present government in Washington* seems to underestimate this problem. It has obviously forgotten the lessons of Vietnam and Somalia. The present events in Afghanistan where we see a renaissance of Taliban and a defeat of Western constitution-building, tell the same story as in Iraq: It is a contradiction “in re” to enforce the democratisation of country with military power, although it is reasonable to suppose that all societies in the world do desire to participate in the decision-making of their governments.

The negation of such strong desires often lead to civil war: In Europe the former Yugoslavia is an eminent case in point as well as the Ukraine more recently. In Africa the Ivory Coast is a case in point: the civil war broke out when the central government in Abidjan excluded a major part of the society from participation in election processes on racial and ethno-political grounds. These people who immigrated from neighbouring countries since centuries were declared *non-citizens* in order to enhance the power chances of the ruling group. This conflict ruined the country, - once one of the very few economic success stories of the African continent.

As far as Africa is concerned the peaceful transition to democracy in *South Africa* 1994 under the prudent leadership of Nelson Mandela, “an improbable historic event celebrated by democrats the world over” (Chege 1996: 350), and the horrible failure of democratic transition in *Rwanda* which ended up in an politically directed “genocide” with some 800 000 people killed, - these both events represent the extremes, the two poles of possibility in the face of the same fundamental challenge. “For although the political and historical gap that separates South Africa and Rwanda is greater than the 1500 miles that lie between them, both states were essentially grappling with what has turned out to be the most intractable political problem facing the region: that of crafting representative public institutions on a social foundation of deep-seated ethnic rivalries and economic inequalities” (Chege 1996: 350). Because the key to the outcome in both these cases is the quality of *political leadership*, I will concentrate my arguments on the relationship between political leaders and civil society (see also Othman 2000). I will use the concept of *civil society* to refer specifically to social organisations occupying the space between the household

and the state that enable people to co-ordinate their management of resources and activities.

## **2. Good governance, good leadership and the praxis of human rights as yardsticks for development and creditworthy by the international organisations for foreign assistance**

The lesson learnt from these severe and militant conflicts as a result of a policy of non-participation is that *bad governance* is the major cause of underdevelopment and political decay. Relying on coercion and the so-called monopoly of the legitimate means of violence, African leaders have consistently used politics to underdevelop the continent. *Survival of the regime* became the most overriding public policy. The leaders increased military spending in contradistinction to social spending. According to the Human Development Report the ratio of military so social spending increased from 27% in 1960 to 43% in 1991 (Adewoye 2000: 41).

Politics matter, not money – a lesson which well-known experts in the field of development cooperation often forget, what actually is the case with Jeffrey Sachs who seduced the general Secretary of the United Nations to embark on a financial strategy of *big push* in order to fight poverty in Africa, Asia and finally all over the world. From my point of view a rather ridiculous effort which will end up in a great disappointment after some years. Underlying the litany of the Third World's development problems is a *crisis of governance*.

By *governance* the World Bank means the exercise of political power to manage a nation's affairs. The state expects the civil society to do obeisance to it only to the extent that the state delivers social goods and services. Habitual obedience of the society is withdrawn whenever the state fails and flounders in its most basic and most fundamental responsibilities. Because *countervailing power* has been lacking, state officials in many countries have served their own interests without fear of being called to account. In self-defense individuals have built up personal networks of influence rather than hold the all-powerful state accountable for its systemic failures. In this way politics becomes personalized, and patronage becomes essential to maintain power. The leadership assumes broad discretionary authority and loses its legitimacy. Information is controlled, the voluntary associations are co-opted or disbanded. The top-down approach of the government demotivates ordinary people, whose energies are most needed to be mobilized in the development effort.

This environment cannot really support a dynamic economy. At worst the state becomes coercive and arbitrary. These trends, however, can be resisted. As Botswana in Africa or Chile in Latin America or Singapur, Taiwan and South Korea in Asia have shown, *dedicated leadership* can produce a quite different

outcome. It requires a systematic effort to build a pluralistic institutional structure, a determination to respect the rule of law, and vigorous protection of the freedom of the press and human rights (World Bank 1989: 61.)

Experts of the World Bank often underline the doctrine that developing countries require not just less government but *better government* respectively good governance, including the reform of the civil service and more public investment in civic education and human capital-building. *Public employment* accounts for more than 50 per cent of non-agricultural registered employment in Africa, compared with 36% in Asia and only 27 percent in Latin America. Chronic overstaffing has damaged performance severely, partly because staff is badly deployed and denied adequate material support and partly because idle staff undermine the morale of those who want to work.

There is no doubt that we are confronted with an interrelationship between *good governance and development*. Two social scientists (Healey and Robinson) working for International Organisations have pleaded for a *comprehensive approach of developmental policy*, which emphasises good leadership. This argument is worth quoting:

“What seems to count in the formulation of policy is not merely the ‘rules’ of the domestic political game, but the ideology of the leadership, the structure of decision-making, the quality and role played by the bureaucracy, the composition of governing coalitions, the relationship of the government with business and trade unions, and the role of external powers, especially the financial agencies” (Healey/Robinson 1992: 124, quoted in: O. Nielinger 1998: 101).

### ***3. UN-Human rights declarations – a common ground for a cosmopolitan world?***

According to these noble objectives, were few governments in developing countries could claim to fulfil the criteria of good governance and human rights. It is interesting to realise that the international norms with a Western background of origin (like liberal democracy, civil participatory society enjoying the civil freedoms) are not accepted as *universally valid*. As the second UN-Human Rights Conference in Vienna in June 1993 had discovered, there was only a lip service concerning the acceptance of the universality of human rights: “All human rights are universal, indivisible and interdependent and interrelated.” (Paragraph 5 of the Vienna Declaration). A few weeks later, a *Human Rights Conference of ASEAN-States in Kuala Lumpur* declared, that “every member-state has the right to decide its own development, objectives and priorities, and the right to decide what ways and means it will choose to realize them, without interference from outside”. The Kuala-Lumpur declaration

emphasises the obligation by governments to respect human rights:

“”Everybody has the right to life, to property, freedom and security. No one should be denied these rights – *“except by law”* (Tetzlaff 1993: 349). The logic of economic nationalism here triumphed over the freedom of the individual.

One of the most brilliant African intellectuals **Prof. Issa Shivji** from the University of Tanzania in Dar Es Salaam, also criticised the human rights concept of the United Nations as Western-oriented and rather useless; he plead for a **“new Democratic Consensus”**, - an argument which is worth quoting: “The Minimum that can be said is that the new ideologies and images of liberal democracy are neither new, nor feasible nor plausible forms of political organisation in our countries. *These ideologies do not have a resonance among popular masses.* They have certainly failed to build a new consensus which can hold our societies together. Everywhere, what is so brutally clear is the rise of forces of social disintegration, political turmoil and economic immiserisation. The least that can be said, therefore, is that liberal democracy, rule of law, human rights and stock-exchanges by themselves, do not offer a vision of hope or a platform of building a new consensus.” (Shivji 2000: 31).

Shivji then suggested *instead of liberal democracy an alternative concept*, named **“a new democratic consensus”** based on three cornerstones: popular livelihoods, popular participation and popular power. The vision of democracy – Shivji underlines – can elicit consensus in African societies only when it addresses the basic issue of the *livelihoods of millions or popular livelihoods*. It is true that poverty, ignorance and disease and the idea of development have been abused in the immediate post-independence politics to justify authoritarianism and top-down statist structures. Yet, it is also true and undeniable, that issues of development are real and cannot be dismissed. Nor can masses in this day and age be asked to make sacrifices *now* for some *future* development when they see the few prosper *now* without caring for the future while their and their children’s lives are reduced to sub-human existence...The **right to life** is a composite right and includes the right to livelihood, right to food, shelter, education – in short, the right to be human” (Shivji 2000: 32-33; emphasis is original).

I do not pretend that industrialised countries simple should accept the view on human rights of the South, but rather it seems necessary to me to admit that we still face a challenge to decide on a ranking between different “generations” of human rights, especially to decide between social and economic human rights at the one hand and civil human rights at the other hand.

#### **4. The vision of a “rational and development-oriented international system” by the South (“South Commission”)**

When the cold war had ended ambitious people in the South dreamt of a new “rational and development-oriented international system” – it was the “vision” of the so-called *South Commission* which was established in 1987 on an initiative of Malaysia’s Prime Minister Mohamed Mahathir and which was chaired by Julius Nyerere, former President of Tanzania (who died in 2000). I take this vision of a better more humanitarian, more equal and just world as a starting point for the discussion on the perspectives of the “bridging the North-South gap by international intervening in behalf of democracy, civic education, rule of law and human rights.

The members of the South Commission declared their belief that there cannot be genuine development in the South without a better international environment; there cannot be a truly stable system of global relations without development in the South. “Accordingly, the salient features of the international system we envisage are two-fold:

1. It should provide the framework for a rational, coherent, and democratic management of international economic and political relations that can ensure peace, stability, prosperity, and human dignity within the global community as a whole.
2. It should embody as a central objective the support of the efforts of the countries of the South to resume growth and to undertake a process of sustainable and self-reliant development” (The Report of the South Commission: The Challenge to the South 2000: 222).

In addition to these general objectives the South Commission emphasized the need to overcome the *knowledge gap* between North and South:

“Unless the South learns to harness the forces of modern science and technology, it has no chance of fulfilling its developmental aspirations or its yearning for an effective voice in the management of global interdependence. All its societies must therefore mount a determined effort to absorb, adapt, and assimilate new technological advances as part of their development strategies...To achieve this, all countries of the South should give priority to providing a high standard of education to all children between the ages of 6 and 15 years, with basic sciences and mathematics being given the importance that is in keeping with requirements of the modern technological age. The tree of knowledge can flourish only if it is securely planted in the educational system” (ibid. 278). As we have learned meanwhile, only *China and India* – the Asian giants – pursued this strategy advocated for by the South Commission, while most governments in Latin America and Africa preferred to continue with the politics of *rent-seeking* and subsequently failed to invest in “*human capital*” and national technologies. Finally, *September eleven* changed the character of North-South relations dramatically, and the vision of the South for a better and more cooperative world society disappeared behind hectic activities and the ongoing discussion about “war on terrorism”, about a fair and just development

round between WTO members and about a solution of the permanent conflict between Israel and the Palestinians, which is regarded by Ernst-Otto Czempiel (Germany's most famous peace-researcher) as "certainly the deepest source of terrorism. The resolution of this conflict would reduce terrorism to a very low level..." (Czempiel 2003: 31).

Only communist China with a pro-growth leadership has blazed a new strategic path that suits its national conditions while conforming to the tides of history. This path toward modernization can be called the "***development path to a peaceful rise***". Some emerging powers in modern European history have plundered other countries' resources through invasion, colonization, expansion, or even large-scale wars of aggression. China's emergence thus far has been driven not by democratic values and popular participation, rather by ***patriotism, capital, technology, and resources acquired through more or less peaceful mean***. The most significant strategic choice the Chinese have made was "to embrace economic globalisation rather than detach themselves from it. Beijing decided to open up China even more, by joining the World Trade Organisation (WTO) and deepening economic reform at home, leaving out political reforms, however (Zheng Bijian in Foreign Affairs Vol. 84 No. 5, p. 21). President Jiang Zemin – "the man who changed China" (Gilley2005) - fears democracy as a threat to growth and national stability. The legitimacy of the Chinese system of one-party-rule rests entirely on the promise that the imagined "growth miracle" will continue (in spite of all ecological crises) (Gillet 2005: 153).

Nobody can know at the moment, whether China's Communist Party (CCP) will have to adopt and move toward democracy "if it is to avoid lapsing into corrupt rule. But it will take a long time for the country to develop into a US-style democracy – perhaps a century or more...If the CCP develops a disciplined set of rules and a healthy corporate culture and remains serious about the leadership selection process, it may well produce an ***elite*** as vibrant and dynamic as that of the United States", - an Asian observer believes. Therefore, "Washington should play a constructive role in this great Chinese experiment, not oppose it. But patience is a lot to ask of Americans, who find it difficult to conceive that non-democratic rule may suit China better than ***premature democracy***. Americans frequently believe, for both ideological and pragmatic reasons, that [liberal] democracy is the best possible form of government anytime, anywhere" (Kishore Mahbubani in: Foreign Affairs, vol. 84, No. 5, 2005; p. 54).

On the basis of such belief even in African societies like Ethiopia and Rwanda democratic rule had been imposed from outside, sometimes with detrimental results for the stability of the country. In societies without any social movement fighting for democratic change and values, democratic rule can be ***premature***. It will not create roots and stabilize the society. The perception of democracy and constitutional government differ a lot between industrialized countries and

institutionally weak developing countries. Westerners believe that their elected government should protect the “lives, liberty, and property” of the citizens and to promote the common welfare. This concept is linked to the idea to prevent the abuse of power by to ways of organising government: separation of powers and checks and balances (Center for Civic Education 1988: 1-16). Optimists often have “overestimated the strength of liberalizing forces, while fatally underestimating the capacity of incumbent autocrats to manipulate state institutions and even engineer anarchy in order to prevent democracy” (Chege 1996: 352). In the view of *Michael Chege*, a senior political scientist of Kenya, the recent history has shown that the importance of multiparty elections has been overemphasized as the foundation of democracy and the basic tenets of liberal governance has been neglected, correspondingly. What is still lacking in most African countries is a strong well organised civil society. The most relevant attributes of African civil society are the salience of ethnic identity and the paucity of the “civic” spirit (Chege 1996: 355).

Thus the well-intentioned sentiment by Americans “can have harmful implications, and US actions can have an enormous impact on China. Americans believe, for example, that supporting political dissidents is an unequivocal good. Thinking they are only helping individuals in distress, they sometimes fail to see that their involvement could damage or shake China’s political system. American logic seems to be that if such activities destabilize the Chinese political system, it will surely be because the political system was faulty to begin with” (Kishore Mahbubani 2005: 54).

Kishore Mahbubani belongs to the fairly large group of international observers and social scientists who advocate strongly in favour of a *new multilateralisms* which would not marginalize undemocratic countries like China or “emerging democracies” like Russia and Turkey, India and South Africa, but to include them. Following this logic of inclusion and participation, China should be offered a seat among the G-8, the group of the world’s leading industrialized nations. Beijing can and should be involved in other areas, such as the challenge of bringing the Islamic world into the global order. The terrible situation in Sudan’s West, where in Darfur a genocide takes place with 300.00 killed people so far, for example, - this tragedy cannot be finished without Chinas self-commitment to respect human rights and helps to implement international law. Today, only the *United States of America* can provide the global leadership to integrate, modernize, and constrain communist China.

##### ***5. Global cooperation works: The global anti-corruption campaign by the IFIs - a global compromise***

International institutions can and should assist in countervailing the process of *institutional decay and political instability* by bad governance. In more and



more countries in the Third World (Berlusconi's Italy included), the administrations, judiciaries, and educational institutions are now mere shadows of their former selves. This widespread *institutional decay* is symbolized by the poor physical condition of once world-class institutions such as the University of Kairo in Egypt, the University of Legon in Ghana or the Makerere University in Uganda, by the break-down of judicial systems in a number of countries, by the poor state of once well-functioning roads, railways, hospitals and factories. Sometimes governments have invested in public institutions, but the public sector management and the maintenance of institutions proved to be very weak. They preferred to invest in new buildings and equipment rather than maintain their existing facilities and to hire new staff instead of giving their existing staff the resources they need to work effectively. As a result the capital stock has deteriorated, and many investments yield little or nothing. Poorly maintained and managed infrastructure has added enormously to the cost of doing business (World Bank 1989:22-27).

Equally worrying is the widespread impression of *political decline by corruption, oppression and nepotism*. *Corruption* robs institutions of their legitimacy and credibility: weak performance by public institutions like schools, hospitals, ministries etc. breed disappointment, responsibility is shifted to others, inaction undermines self-confidence, and performance sinks even further. Bad governance undermines the very basis on which to build economic growth and a civil society which is indispensable for a strong democratic culture.

In recent years the item of *public corruption* became very popular – the analysis of its appearance, its functions, its damages and costs. The last decade of the 20th century is remarkable for the global explosion of the interest in corruption – according to **Ivan Krastev**<sup>1</sup> In the years 1982-1987, the word corruption appeared in average 229 times a year on the pages of The Economist and Financial Times. In 1994 corruption was mentioned 1099 times, in 1995, 1246 times. And this tendency sustains till now. But the popularity of corruption is not limited to books. IMF and World Bank included *transparency clauses* in their loan giving practices. In 1996 World Bank revised its guidelines to state explicitly that corruption and fraud would be grounds for cancelling the contract if the borrower has not taken appropriate action. In December 1997 the Council

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<sup>1</sup> Ivan Krastev is a political scientist and Chairman of the Centre for Liberal Strategies in Sofia, Bulgaria. He is the research director of *The Politics of Anti-Americanisms*, project coordinated by CEU. Since January 2004 Mr. Krastev is the executive director of the International Commission on the Balkans installed by the Robert Bosch Stiftung, [German Marshal Fund of the United States](#), [Charles Stewart Mott Foundation](#), King Baudouin Foundation and chaired by former Italian Premier Minister Giuliano Amato. Ivan Krastev is the editor in Chief of the Bulgarian Edition of Foreign Policy.

of OECD signed an international convention that requires signatories to outlaw overseas bribery of foreign officials. IMF and World Bank included *transparency clauses* in their loan giving practices.

In 1997 IMF suspended 227 million dollars loans to Kenya because of bad governance concerns. 1997 World Bank and IMF annual meeting had a special focus on corruption. Billions of dollars were spent in the last five years on anticorruption projects. Corruption hit the top of the political agenda in countries as different as Russia, China, US, Germany, Mexico and Nigeria.

What has happened? Do we have more corruption today? Do we have a more harmful corruption? Why the global world became less tolerant to it than our pre-global world was? In his research on the sources of corruption *Ivan Krastev* came to the conclusion that the rise of corruption had at least seven main reasons and concomitant phenomenon. I think that it is worthwhile to go deeper into this thorny aspect of "bad governance".

***The End of Real Socialism.*** In Eastern Europe the new anticorruption sensitivity has specific sources. The old system of exchanges of favours that was typical and massively spread in the communist period was replaced by less sophisticated bribery. Eastern Europe made transition from "give me a favor society" into "give me a bribe society." The eruption of social inequality that took place in post-communist countries was difficult to be explained in the terms of entrepreneurship and hard working. The emergence of new rich and new poor and the unexplained circumstances of success and failure made people to believe that corruption was the only credible explanation. Massive privatization was the other critical factor increasing the incentives for corrupt behavior. It is enough to imagine the scale of re-distribution of wealth taking place in the former Soviet block in order to understand Eastern Europe's fixation with corruption.

***The Rise of the New Media.*** The new global information environment and the popularity of the investigative journalism are the other factors contributing to the new visibility of corruption. Today just by click of the mouse people can learn about the Kohl Affair in Germany, Kremlin credit card scandal and the scandal with the Bank of New York. Corruption sells well, because bribe is "as intimate as a seduction and as coercive as a rape." Publishing corruption stories pays as nicely as investing into Internet stock and the risk is lower.

***The Rise of Democracy.*** The spread of democracy is also part of the explanation why corruption became so debated. Democracies are not by definition clearer than the non-democratic regimes, but in democratic countries governments go to ballot boxes and even risk not to be re-elected. The electoral competition increases the probability that acts of corruption would come to the surface. The fact that more countries are going to the polls made corruption more visible and important in a global scale.

***The Rise of the Global Market.*** The new mobility and the new global market also contributed to corruption's visibility. In the words of Vito Tanzi " globalization has brought individuals from countries with little corruption into frequent contacts with those from countries where corruption is endemic. These contacts have increased the international attention paid to corruption, especially when some companies believed that they were cut out of some contracts because the winning company has paid a bribe" (Tanzi, 1998).

***The Rise of Civil Society.*** The rise of the civil society and the public awareness campaigns arranged by NGOs mobilized significant anticorruption sentiments. Civic advocacy is partially responsible for making corruption not simply the problem of the corrupted countries but also a problem for countries and foreign companies corrupting them. It was civil activists that focus attention on the fact that corruption money earned in the East is kept in the banks of the West.

***The Rise of Organized Crime.*** The Interpol reports that only for the year 1999 the estimated profit of the organized crime is between 400 billion dollars and 650 billion dollars. In the language of the political science corruption and organized crime are structurally connected. Corruption weakens the state preventing it from being effective third party. The failure of state to enforce rules creates a vacuum to be filled by the organized crime. When the government and the judicial system are so corrupted that they cannot help the contract to be enforced, the only available enforcer is the Mafia. In this respect organized crime is viewed both as a source and product of rising corruption.

"This, that and the other" factors have been used to explain corruption's new visibility. They illustrate the urgency with which corruption has become a global concern. But all these factors are still insufficient to explain how corruption was turned into a global policy issue, and why the World Bank and IMF addressed it as one of the structures of economic sin.

There was a need for comprehensive global anticorruption initiative. In 1997 the World Bank published a policy document entitled "Helping Countries Combat Corruption" that placed the World Bank as an anticorruption advisor of last resort.

At the same time it is important to underline that World Bank's "discovery" of corruption can not be reduced to a cynical strategy designed to recycle old policies and to gain new legitimacy. It was the emergence of the World Bank's experience with Russia as the paradigm-maker in reformulating the problems of global development that explains the new anticorruption obsession of the International Financial Institutions. The obsession with corruption was the direct result from the obsession with Russia and transition economies as whole.

The popularized story of how the World Bank, IMF and OECD have discovered corruption and decided to fight it reads like a civil society soap opera. In this popular version the new global response on corruption came as a result of the pressure coming from the democratic publics. It was the newly emerging global civil society pushing for global anticorruption policy.

This story tells that in the beginning was *Transparency International*. It was founded in 1993 by a group of former World Bank executives and dedicated itself to fighting corruption and promoting transparency around the world. In a few years TI made a difference. It was pressure coming from TI that urged the international organizations to realize that corruption is a global problem that cannot be located in the Third World and Eastern Europe. The manner in which OECD countries treated corruption outside their borders was made responsible for the present "corruption epidemic." It was this dissident message coming from TI that changed the established views on corruption.

Anticorruption strategy adopted by TI was essential for building a broad coalition. TI refused to deal with concrete cases of corruption and concentrated its efforts on advocating institutional changes. The anticorruption discourse adopted by TI was not the muckraking discourse of the local anticorruption activists, it was the discourse of the reformers inside the international institutions. It was not about combatting corruption. It was about introducing transparency. The non-confrontational approach in fighting corruption was reinforced by the very organizational structure of TI. Its national chapters have brought together the representatives of the civic community, business and government, and the national chapters remain autonomous in the framework of the global TI

The study of the making of the anticorruption consensus contrary to the assumption of the current anticorruption studies makes me believe that the global anticorruption consensus was not the result or response to the rise in corruption or even in the visibility of corruption. The consensus came as a result of the emergence of a coalition of global players that see their interest in focussing on corruption. These global players are the US government, International Financial Institutions and big foreign investors. But it was the emergence of the Transparency International as a global anticorruption NGO, speaking with the voice of the 'local' and the new data coming from the new anticorruption science that legitimized the new consensus that corruption is a global policy issue. The marginalization of the non-economic discourses on corruption became the major pre-condition for the emergence of the new anticorruption consensus.

The anticorruption policies package promoted by the World Bank and IMF are basically the re-designed policies of the Washington consensus. The paradox is

that local democracy activists who are otherwise restless to attack these policies became silent when these same policies came back to them dressed as anticorruption measures. Anticorruption rhetoric turned to be the major justification for the neoliberal policies in the field of economy and governing.

The consensus on corruption that is a consensus on the economic, social, and political costs of corruption was presented by IMF and World Bank as a consensus on causes for corruption and policies to curb it. What the global and local agreed upon was that endemic corruption hurts economic growth, increases social inequality and erodes democracy. At the same time there are two distinctively different anticorruption arguments.

The free market anticorruption argument is an argument against the corrupting effect of big government.

The democracy anticorruption argument is an argument against the democracy deficit of the modern societies, but is also an argument against the excessive power of the market. It is not the big government that corrupts-it is the big money that corrupts. It is the illegal funding of the political parties, the criminal closeness between government and business that causes corruption. The local civic activists traditionally view the war against corruption as the war between "the people" and "the interests." In the long history of anticorruption rhetoric, it was much more often this anti-market argument that has captured public imagination.

The free market anticorruption argument is an argument that insists on deregulating the economic life and withdrawal of the state. The democracy argument is the argument for effective state regulation and effective limitation of the influence of money in political process.

The free market anticorruption argument is an argument for less tax. The democracy argument is an argument for more taxes, because rights have costs. You can easily reconcile the free market and the democracy anticorruption arguments rhetorically, but you cannot at one and the same time reduce and increase the taxes. The perception that anticorruption consensus is beyond the liberal-conservative divide is an illusionary one. In this respect the global anticorruption response prepared by the World Bank meets the logic of the free market argument but not always meets the logic of the democratic argument.

**Conclusion:**

Present processes of globalisation and international diplomacy tend to favour the interests of powerful multinational corporations, at the expense of the well-being of the vast majority of the people. Common threats (like internal wars, genocides, epidemics like malaria and HIV/Aids, terrorism etc.) adds an extra impetus for global cooperation, but on the other hand the globalisation of standards, laws, scientific knowledge and the universal expansion of Western values have provoked *anti-cosmopolitan reactions*, especially among Muslims in countries which are the losers of globalisation. A neo-liberal theory of global economy celebrates a free market and the breaking down of national barriers, but justifies a systems that results in extremes of wealth and poverty. Thus Western countries, in spite of all good intentions now-a-days, face a severe *credibility problem*: large parts of the “South” have nor great trust in Western human rights diplomacy

After the end of the cold war – societies are being increasingly dichotomised into two broad categories, namely, those who *know* and those who *own*. The political scientist *Ali Mazrui* , born Ugandan and now teaching as Professor with an US-American University (in New York) once made the interesting point that in the 21<sup>st</sup> century, societies that own resources but without the requisite know-how to maximise them are likely to lose out to societies that know, irrespectively of whether or not such societies also own resources (Adewoye 2000: 46). Modern rational knowledge as the foundation of “*human capital*” really matters! And without human capital the civil society at home as the indispensable link between the state government and the local population cannot flourish.

Alfred Stepan’s definition of *Civil Society* as an arena where manifold social movements and civic organisations from all classes attempt to constitute themselves in an ensemble of arrangements so that they can express themselves and advance their interest” (Adewoye 2000: 45). In reality, however, the African intellectuals virtually are in danger to become an endangered specie. A large chunk of them are living in Western Europe or North America on account of an unwholesome and disenabling intellectual and economic environment at home....Unless there is rapid development there – both economic and social – the developed countries will be inundated by a human flood of third world immigrants far beyond their economic, social or cultural capacity to absorb” (Adewoye 2000: 46-47).

All modern societies facing the challenges of globalization need a minimal consensus on basic values and rules of the game (“Spielregeln). The institutionalisation of free and popular government requires mutual acceptance of democratic principles, an active middle class, and most important *committed democratic leaders* who feel obliged to serve their people in order to improve their living conditions.

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