

## Introduction

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Several of the most pressing challenges of our times – climate change, biodiversity, poverty, international peace and security - are of an inherently transnational nature. To address these challenges, states have increasingly delegated competencies to international organizations (IOs). Today, IOs are central actors in global governance that shape policy discourses, design and implement projects, but also develop, monitor and interpret global rules (Hooghe & Marks, 2018; Zürn, 2018). The increasing governance tasks IOs assumed over the last decades concurs with the observation that the anarchy paradigm no longer fits today's international relations (IR). Instead of anarchy, international relations can be characterized by manifold and partially overlapping relationships of order and subordination based on power asymmetries. Following Robert A. Dahl's (1957) canonical definition, "A has power over B to the extent that he can get B to do something that B would not otherwise do" (p. 80). Within the framework of this formula, Daase and Deitelhoff (2015) argued that the "Anarchy Problematique" in International Relations has given way to the "Problematique of Rule" (p. 299), while others have conceptualized these power relations in terms of governance (Rosenau, 1992), hegemony (Lake, 2010, 2014), or authority (Hooghe, 2016; Zürn, 2018). What all these scholars agree upon, is that international organizations exercise power and that such increasing levels of influence require justification beyond reference to a consensus among IO member states (Nullmeier et al., 2012; Steffek, 2018; Zürn, 2018).

Among IOs, multilateral development banks (MDBs) exercise particularly high degrees of power (Zürn, 2018). MDBs can be defined as organizations that coordinate relations and activities among three or more states on the basis of generalized principles of conduct with the aim to enhance development. Standing out from other major IOs in their field (e.g. UNDP), MDBs have the capacity to provide loans and financial assistance to developing countries. While it is generally assumed that development promotes human rights by definition, experience with MDB governance over the last decades suggests a more nuanced picture. There are at least three structural reasons for that: First, "development" is measured on a macro-level. As a result, MDB-funded projects or policy reforms may have positive effects on macro-level indicators, but violate the human rights of particular groups or individuals (e.g. an infrastructure project that involves forced resettlement and health damages through environmental pollution). Secondly,

MDBs work through the governments of benefitting countries, generally assuming that these governments rule in the best interest of the population. In several contexts, this assumption and a lack of adequate MDB risk assessments ignore that it is precisely the ruling elite posing the biggest threat to human rights and democracy. On several occasions, it could be shown that governments used the money of development cooperation to strengthen their position and to repress civil society (Human Rights Watch, 2010). Third, the predominant “technical” or “economic” view of development overlooks the inherently political nature of several governance initiatives. The implementation of MDB-funded projects without consulting those directly affected by them thus violates these people’s right to autonomy (Kämpf, 2015). As a result, it comes as no surprise that MDBs met strong contestation of their competencies by scholars, but also by the public (Zürn et al. 2012). At the core of this contestation is the question: Which standards and qualities should MDBs meet to be considered “legitimate?” if *legitimacy* is understood as a normative concept referring to “the right to rule” of a given political order or institution (Buchanan & Keohane, 2006; Estlund, 2007). Prominent proposals for such standards include inclusive procedures (Tallberg et al., 2013), deliberation (Dryzek, 2006; Steffek, 2018), transparency (Grigorescu, 2010), accountability (Scholte, 2011) and compliance with human rights norms (Buchanan & Keohane, 2006).

Even before the academic debate on the legitimacy of MDBs gained momentum, social movements from countries around the world joined forces to demand the adherence of very similar standards since the late 1980s. Such “transnational social movements” (TSM) can be defined as “collectivities with constituents in at least two states, composed of organized and non-organized actors that engage in sustained and intentional interactions with power-holders in at least one state other than their own, or against an international institution, to pursue shared social goals on the basis of shared values”. Since the 1990s, there is widespread academic recognition that such social movements (or Transnational Advocacy Networks) play a crucial role in shaping MDB governance (Keck & Sikkink, 1998; Risse et al. 2013). Hence, this work takes place in the midst of an ongoing academic and public debate on the legitimacy of MDB governance and the role that transnational social movements may have in making MDBs more accountable.

## Theoretical Starting Point and Research Question

In their advocacy for justice, human rights accountability and democracy, TSM have used a variety of tactics towards MDBs, engaging them directly through demonstrations, consultations and media campaigns, but also more indirectly through writing reports and lobbying their national governments (O’Brien et al., 2000; Heupel et al., 2015; Zürn, 2018). While MDBs face several internal and external pressures for reform, this work focusses on the particular role of transnational social movements as a key actor seeking to “socialize” MDBs into the community of human rights abiding organizations. Socialization can be broadly defined as “a process of learning to behave in a way that is acceptable to society” (Oxford Dictionary, 2018). The society of interest here is the community of human rights abiding public authorities, including states, IOs, but also non-state governance actors (e.g., traditional chiefs or courts). The empirical record

suggests a mixed picture of TSM engagement. While their advocacy was certainly successful in some cases (e.g. the codification of “safeguards policies” across MDBs), they failed to achieve desired socialization outcomes in other cases (Park, 2017). Why and how exactly are TSMs successful in socializing MDBs? What accounts for their failure? Which tactics are more successful, or does a combination of different tactics in an overarching strategy<sup>1</sup> lead to MDB socialization? In social movement literature, there is an old, but still ongoing debate whether conventional or disruptive tactics are more effective (Bosi, Guigni, & Uba, 2016; Button, 1978; Guigni, 2004; O’Brien, 2000). I adopt a “thin” definition of conventional and disruptive tactics as different means to pursue political goals, irrespective of the nature of these goals (e.g. reform or revolution). Specifically, *conventional* tactics refer to any kind of movement activity aimed at producing an effect on the target organization that proceeds through inside channels, involving direct interaction with decision-makers of that organization. Inside channels are those channels established by the target organization to interact with movement representatives, e.g., parliamentary hearings, meetings with decision-makers, joint conferences or workshops to share information on policy issues and constituency interests (Betts & Corell, 2008). In contrast, *disruptive* tactics refers to any movement activity aimed at producing an effect on the target organization that proceeds through channels outside those established by the target organization. The interaction with decision-makers of the target organization is only indirect (see Daphi & Anderl, 2016; Dellmuth & Tallberg, 2017, for similar conceptualizations). Whereas several works in social movement literature emphasize the need to produce crisis in target organizations through disruptive tactics (O’Brien, 2000; Piven & Cloward, 1993; Uba, 2005), others fear that disruption might alienate decision-makers and the wider public. Particularly, scholarship on transnational advocacy networks (TAN) highlights the value of access and persuasion through conventional tactics (Busby, 2010; Checkel, 2001; Keck & Sikkink, 1998). Between both poles, a number of scholars theorize that a mix of both disruptive and conventional tactics (e.g., shaming and persuasion) is most effective (McAdam & Su, 2002; Risse, Ropp, & Sikkink, 2013). Insights from social movement studies influenced several important contributions dealing with the effectiveness of movement tactics on the socialization of states—either through national channels (Guigni, 2004) or by detour via international organizations (Keck & Sikkink, 1998) or liberal democratic states (Risse, Ropp, & Sikkink, 1999). Yet, few works deal with the effectiveness of movement tactics toward MDBs specifically.<sup>2</sup> What is more, none of the existing accounts investigates the effectiveness of movement tactics and their relationship on MDB socialization by way of a systematic case comparison. Accordingly, we do not know when and under which conditions TSM tactics are actually successful. To fill this gap, I ask the following research question: **How and under which conditions are transnational social movements successful in strengthening the human rights accountability of multilateral development banks?**

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- 1 In the following, I refer to “tactics” to designate the actual means that movements use to reach certain objectives, while the term “strategy” refers to the overarching and more long term campaign plan that may involve several tactics at different stages.
  - 2 Notable exceptions include the works by Bruce Rich (1994, 2013) and the edited volumes by O’Brien et al. (2000) and Fox et al. (2003).

In line with previous work on socialization, focusing on causal mechanisms, the *how* part of this question refers to the process between a cause and its effect. *Under which conditions* asks about the scope of conditions that enable the mechanism to work (Zürn & Checkel, 2005).

## Analytical Framework

Building on existing IR and social movement scholarship on movement tactics, I deduce a causal mechanism that combines different types of movement engagement. Specifically, I argue that a sequenced approach combining disruptive tactics vis-à-vis the MDB, with conventional tactics vis-à-vis decision-makers in MDB member states, leads to MDB socialization. First, TSMs need to engage in disruptive tactics toward the MDB to produce a certain degree of crisis. Such a crisis then causes important MDB member states to worry about the MDB's reputation. Specifically, decision-makers<sup>3</sup> in the relevant decision-making bodies of member states (e.g., ministries of finance, chairs of parliamentary committees and sub-committees) realize a need for MDB reform and perceive a simultaneous deficit on behalf of the MDB to deal with its problems alone as the MDB strives to mitigate critique without undertaking costly reforms. As a result, they open up toward movement representatives for reform ideas. At this point, the TSM needs to switch to conventional tactics via the state channel and persuade decision-makers of their demands. If persuasion efforts are successful and power-asymmetries on the Board of Directors sufficiently pronounced, influential member states are able to coerce the MDB into adopting reforms – typically by threatening to cut funds. Further, I postulate that this mechanism only works where a specific set of scope conditions, are present. The scope conditions include the resources of the actor demanding change, specifically its moral, epistemic and organizational resources. Second, properties of the target organization matter, including the degree of access, the capacity for counter-mobilization as well as the power (a)symmetries among decision-makers. Third, whether the issue at hand is specific and generalizable, as opposed to broad and only relevant to few matters for TSM success, as well as fourth, the quality of the discursive opportunity structure: does a sudden shock crisis open a window of opportunity for reform? How do MDBs in the organizational environment react to TSM activity? In sum, properties of the actor demanding change, properties of the target organization, the issue and the discursive environment are the four categories of relevant scope conditions theorized in this work.

## Research Design, Case Selection and Main Findings

Since I seek to reconstruct the presence and explanatory value of the causal mechanism sketched above, I engage in “theory testing process tracing” (Beach & Pedersen, 2013).

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3 Joshua Busby refers to such important decision-makers with the ability to slow down or even block reform proposals as “gatekeepers” (Busby, 2010, p. 60).

The aim of theory testing process tracing is to test and potentially refine a specific theorized causal process. To be able to control for relevant scope conditions, I compare two cases of TSM engagement in a most-similar case-study design (George & Bennett, 2005). In a most-similar case-study design<sup>4</sup>, researchers compare two cases which are largely similar, but differ in only few important respects as well as in their results. George already clarified in his earlier work that in practice, two cases are rarely that similar to draw firm conclusions regarding cause and effect. Moreover, the comparison in itself is ill-equipped to deal with equifinality - a constellation where the same outcome can arise through different pathways (George, 1982). To deal with these limitations, George and Bennett developed the method of “structured, focused comparison”, whereby researchers systematically specify the research question, the hypothesized causal relationship including all relevant variables and their operationalization and ask the same set of questions to each case under study (George & Bennett, 2005). In addition, a systematic reconstruction of the causal pathway increases the confidence in a specific causal relationship. Beach and Pedersen (2013) offer a hands-on approach to test the individual steps in a theorized causal chain in practice. While different factors may still lead to the same outcome (“equifinality”), the claim is not to test the only causal explanation possible, but instead to test the strength of a specific causal chain.

From my universe of cases, I trace my theorized causal mechanism among two cases involving the World Bank - the most relevant MDB in terms of lending volume and norm-setting qualities to date<sup>5</sup>. In my first case, taking place in the late 1980s and early 1990s, the TSM was successful to socialize the World Bank into establishing an independent and citizen-driven Inspection Panel (IP) with responsibilities to review breaches of World Bank policies regarding social, indigenous people, resettlement and environmental. This Inspection Panel thus greatly enhanced the human rights accountability of the organization. Against the odds of IR theories placing sovereignty as the primary concern of states, the World Bank’s Inspection Panel provided project-affected communities with direct legal standing in front of an IO, without the involvement of the borrowing state. After two decades of sharpening the accountability regime, and particularly after the adoption of human rights accountability policies and organizational subunits became part of a global script for IOs (Heupel & Zürn, 2017), the World Bank’s review of its human rights policies from 2011–2016 (Case 2) undermined its earlier achievements by replacing specific rules with vague principles, by introducing alternative dispute resolution bodies and by reducing the scope of application of the human rights standards. There also is an empirical puzzle here: Why was the movement’s socialization strategy successful at a time when no other international organization (much less other MDBs) possessed a human rights accountability mechanism in the early 1990s, yet failed at a time when human rights accountability was an established organizational script among

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4 This method is also referred to as “Mill’s method of difference” (George & Bennett, 2005). Depending on the perspective the researcher takes, the emphasis is either on the similarity of the majority of variables (“most similar”), or the difference of those variables that ultimately matter (“method of difference”). From here onwards, I will adopt the more prominent designation from George and Bennett (2005), calling the method “most similar” case study design.

5 Cp. Annual Reports 2016 of all major MDBs. See Chapter 8 for an overview of the lending volume of all MDBs.

MDBs more than two decades later? I collected the relevant data by combining semi-structured interviews, official documents, minutes of executive board meetings and parliamentary debates as well as notes from participant observation. To analyze the data, I relied on qualitative content analysis, which I conducted with help of the computer software program MAXQDA.

My analysis reveals how subtle, yet effective forms of counter mobilization on behalf of the MDB bureaucracy interacted with indirect forms of counter mobilization by a Chinese-led group of emerging powers. By organizing an impressive multi-stakeholder consultation process, the World Bank was able to define the boundaries of critique, to divide moderate from more radical constituencies, and to engage the movement without integrating key demands. In parallel, counter mobilization by the Chinese-led coalition of member states primarily took the form of counter multilateralism: the indirect exercise of pressure by founding a new development bank – the AIIB. Together, both forms of bureaucracy and member state counter mobilization led to a breakdown of the causal mechanism. Today, three decades after the movement-centered socialization in the early 1990s, we now witness a decrease in World Bank human rights accountability: less binding and less precise human rights policies, a decrease in the scope of policy application across the World Bank portfolio as well as a weakened role of the quasi-judicial oversight mechanism (the World Bank Inspection Panel).

## Basic Assumptions and Normative Relevance

Though my work is first and foremost of an empirical nature, it also bears normative relevance. Convinced that empirical studies cannot be void of an inherent normativity due to the paradigm adopted, the type of research questions asked and the use and definitions of concepts, I seek to make my normative background assumptions explicit and situate my work in the wider debate regarding the legitimacy of international organizations. Specifically, I take sides in this debate about the legitimacy of MDBs. In the first chapter, I argue that we have strong moral and legal reasons to agree on human rights accountability as a necessary (albeit not the only) minimum standard of MDB legitimacy.

To make this point, I proceed in four steps. First, I show empirically that MDBs belong to the kind of IOs that exercise a considerable degree of power shaping the fate of states and their citizens. Then, I elaborate on my conception of accountability as direct accountability - an accountability vis-à-vis those affected by MDB actions. In agreement with Keohane (2011), I define accountability as: (a) a set of standards, (b) transparency, and (c) sanctions in cases of noncompliance. Departing from common notions of MDB accountability, I argue that those individuals affected by MDB governance are ultimately the relevant accountability holders. I further argue for human rights as the right standard of accountability, since human rights express each person's equal moral status. Against the background of a large debate on the right understanding of human rights, I agree with those arguing for a basic interest conception. To make the broader claim that MDBs should institutionalize and respect human rights accountability, I complement the moral arguments for human rights as a minimum standard of legitimate gov-

ernance with an analysis of already existing legal obligations that MDBs have in virtue of existing international law, the human rights obligations of their member states and – in the case of the World Bank – the status as a UN organization. Moreover, I draw on current empirical trends to substantiate the claim that accountability is a necessary, albeit not the only, ingredient of MDB legitimacy, as they cannot be fully controlled by their member states, while currently we also lack a realistic option for some transnational authority enforcing standards of moral decency. These empirical trends suggest that the only viable option in the midterm future is a model of cosmopolitan pluralism, whereby MDBs (and other IOs) adopt the necessary policy and institutional reforms to realize certain standards of legitimacy. In sum, then, I conclude that social movement engagement to socialize MDBs into human rights accountability concurs with what is normatively required from MDBs in the first place.

## My Contributions

This work makes five overarching contributions. To begin with, my first chapter goes beyond sketching the social relevance of my work. Though I do not claim to make an original contribution to the field of political theory (e.g. by developing arguments that have not been made before), I link existing philosophical and legal scholarship in a novel fashion to form a comprehensive and hopefully coherent argument for human rights accountability as a minimum standard for MDB legitimacy against the background of wider empirical trends.

Second, I draw on different strings of social movement and IR literature and combine central insights to deduce and explicate a comprehensive causal mechanism of movement-centered MDB socialization. The literature on transnational advocacy networks and social movements is at a point where we have detailed accounts of the effects of disruptive and conventional tactics respectively. In addition, several studies point to the value of mixed tactics involving both, disruptive and conventional movement tactics. However, it remains largely unclear how exactly these should be combined, whether in parallel or in sequence and if the latter, which sequence. My contribution is to systematize these studies, to deduce a logically coherent sequence of tactics and thus to explicate the causal process implicit in several existing works.

Third and most importantly, this work provides a rigorous test of the nature and relevance of the theorized causal mechanism involving a sequence of disruptive and conventional movement tactics towards MDBs. Specifically, my application of Beach and Pedersen's process tracing method allows me to test each step of the causal mechanism *within* both cases in a rigorous fashion. This process tracing is embedded in a most similar case study design, which allows me to compare movement tactics in relation to MDB counter mobilization *across* both cases, holding additional scope conditions (e.g., mandate, membership, voting shares) largely constant. My thorough analysis of World Bank bureaucracy and member state counter mobilization contributes novel insights into the dynamic interplay between movement "repertoires of action" and corresponding MDB "repertoires of reaction". At the same time, my findings point to further

valuable research to comprehend these dynamics in light of changing power dynamics in contemporary international relations.

Fourth, I make an empirical contribution. While several studies exist on movement advocacy for human rights accountability at the World Bank in the 1980s, 1990s and early 2000s (Clark et al., 2003; Heupel, 2017; Kapur et al., 1997; Nelson, 1997; Rich, 1994; Udall, 1998), there are no studies yet on the reform of World Bank safeguards policies in autumn 2016. Due to my manifold interviews, participant observations and document analysis throughout this latter reform process, my work presents a compilation of new empirical material on a case of great relevance to scholars doing research on the World Bank.

Finally, the findings of this work have practical implications for social movement representatives, but also for policy makers and MDB bureaucracies. Worrysome from a normative point of view is that this decline of human rights accountability at the World Bank entails dynamics that point to larger trends in contemporary global governance: first, the decline of US hegemony and the simultaneous emergence of authoritarian states (especially China) as major donors in development, and secondly, a challenge to multilateralism and the human rights script by these authoritarian states, but also from within established liberal democracies. To overcome these challenges, my study suggests that movements should invest in the (re-) mobilization of liberal democratic MDB member states, strategically expand their networks to emerging powers and bolster strong regional networks to exchange information and unburden movement hubs in Western capitals. Crucially, though, movements should also engage management and staff in MDB secretariats. The twin challenge for social movements ahead then is to defend MDBs as manifestations of multilateralism while simultaneously continuing to advocate for their enhanced human rights accountability.