What Does Corruption Mean in a Democracy?

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*Despite a growing interest in corruption, the topic has been absent from democratic theory. The reason is not a lack of normative issues, but rather missing links between the concepts of corruption and democracy. With few exceptions, political corruption has been conceived as departures by public officials from public rules, norms, and laws for the sake of private gain. Such a conception works well within bureaucratic contexts with well-defined offices, purposes, and norms of conduct. But it inadequately identifies corruption in political contexts, that is, the processes of contestation through which common purposes, norms, and rules are created. Corruption in a democracy, I argue, involves duplicitous violations of the democratic norm of inclusion. Such a conception encompasses the standard conception while complementing it with attention to the dynamics of inclusion and exclusion within democratic politics. By distinguishing the meanings of inclusion and exclusion within the many institutions, spheres, and associations that constitute contemporary democracies, I provide a democratic conception of corruption with a number of implications. The most important of these is that corruption in a democracy usually indicates a deficit of democracy.*

hen compared to other pathologies of politics—violence, authoritarian or totalitar- ian control, caste-based exploitation, oppres-

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sion, stagnation—political corruption ranks as one of the lesser evils. It is, however, the pathology most likely to be found thriving in democracies. It is not surprising, then, that the third wave of democratization would produce a burgeoning and increasingly sophisticated literature on corruption in economics, public administration, crime, professional ethics, and comparative politics.

What is surprising is that the topic of political cor- ruption has gone missing from democratic theory (cf. Euben 1989; Thompson 1995). It is possible, perhaps, that problems of corruption do not involve interesting theoretical issues. At first blush, the common scandals of democracy—centered on campaign finance, contracting for public goods and services, conflicts of interest, be- trayed public trust, and weak professional ethics among public officials—raise a multitude of practical issues but few theoretical ones. Yet even a cursory survey of the pos- sibilities suggests that such a judgment would be wrong. It has long been argued that the little bit of corruption that comes with democracies makes them work better— by lowering transaction costs, reducing the inefficiencies of cumbersome rules, and generally making things hap- pen (Anechiarico and Jacobs 1996; Huntington 1968, 59–

71; Leys 1965). But most who study corruption now ar- gue that it is a symptom as well as a cause of dysfunc- tions within democracies (de Leon 1993; della Porta and Vannucci 1999; Elster 1989, 263–72; Rose-Ackerman 1999; Thompson 1995). Corruption, it is increasingly noted, breaks the link between collective decision mak- ing and people’s powers to influence collective decisions through speaking and voting, the very link that defines democracy. Corruption reduces the effective domain of public action, and thus the reach of democracy, by reduc- ing public agencies of collective action to instruments of private benefit. Corruption creates inefficiencies in de- liveries of public services, not only in the form of a tax on public expenditures, but by shifting public activities toward those sectors in which it is possible for those en- gaged in corrupt exchanges to benefit. And when public officials put prices on routine government transactions, then the rights and protections citizens should be able to enjoy become favors, to be repaid in kind. Moreover, corruption undermines the culture of democracy. When people lose confidence that public decisions are taken for reasons that are publicly available and justifiable, they of- ten become cynical about public speech and deliberation. People come to expect duplicity in public speech, and the expectation tarnishes all public officials, whether or not they are corrupt. And when people are mistrustful of

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government, they are also cynical about their own capac- ities to act on public goods and purposes and will prefer to attend to narrow domains of self-interest they can con- trol. Corruption in this way diminishes the horizons of collective actions and in so doing shrinks the domain of democracy. Finally, corruption undermines democratic capacities of association within civil society by generaliz- ing suspicion and eroding trust and reciprocity.

That corruption has not become the topic it should in democratic theory has to do not with the lack of norma- tive issues. The problem, I shall argue, is that our received conception of political corruption—the abuse of public office for private gain—has been outgrown by contem- porary democracies. The received conception is not ir- relevant: abuse of public office for private gain remains a central issue, but does little to identify and clarify common intuitions into the corruption of democratic institutions and practices, or so I shall argue.

From the perspective of conceptual history, this is not surprising: our received conception did not develop from democratic norms and expectations at all, but rather from early modern liberal ones. It developed in response to liberal concerns with defining, rationalizing, and lim- iting public duties and responsibilities against the back- ground of what had come to be seen as pervasive cor- ruption within absolutist regimes, especially in England and France (Arendt 1965, 100–02). As I shall note, the early liberal project had to do with securing the divid- ing lines between state and society, public and private. The concept we have inherited, still bearing the marks of these origins, has been molded, ex post and with a cer- tain clumsiness, to democratic politics and institutions. I next suggest that the robust conceptual link between democratic theory and corruption can be found in the fact that corruption is always a form of duplicitous and harmful exclusion of those who have a claim to inclusion in collective decisions and actions. Corruption involves a specific kind of unjustifiable disempowerment. This normative link between democracy and corruption can be mapped onto democratic institutions and practices if we recognize that today’s democracies have evolved into ecologies of complementary and competing institutions and associations. It follows, I then argue, that corruption in democracies has become differentiated by domain in such a way that its logic of exclusion will assume forms and meanings in specific to each. Finally, I develop these forms and meanings as they appear within the state, pub- lic spheres, civil society, and markets, while relating each back to the encompassing democratic theory of corrup- tion as duplicitous exclusion. I conclude by noting a num- ber of broader implications of a democratic conception of corruption.

# The Modern Conception of Corruption

Prior to the early modern period, there was no widely accepted and politically practicable concept of political corruption. Concerns about the misuse of public office did exist among the Greeks (Philp 2002, 48). Classical dis- tinctions between, say, monarchy and tyranny turned on the contrast between the public responsibility of kings and their private gains. Still, it would be an anachronism to de- fine for example, the sale of public offices in early modern absolutist monarchies as corruption; this was simply the way these regimes did their business and they did not pre- tend to do otherwise (Scott 1972, chapter 3). It was not, of course, that the concept of corruption did not exist, but rather that the most recognizable lineages, handed down from Plato, treated corruption in ways that were broadly cosmological, and so served less as guides for institutional reform than as moral indictments of indi- viduals, peoples, and cultures. These tendencies persisted within early modern republicanism: Machiavelli (1950, 166–70, 252–55), the period’s most perceptive student of corruption, understood it primarily as a moral condition, measured by the distance between a people’s collective character and moral standards of everyday conduct as defined by their Christian context. For Rousseau (1985), corruption was the centerpiece of a philosophical anthro- pology that tracked the corrosion of a natural moral em- pathy among humans and the emergence of a bourgeois egoism.

As often noted, these moral conceptions of corrup- tion were both too broad and too focused on individual character to serve the institutional engineering that ac- companied the liberal revolutions. Limiting *political* cor- ruption required standards of conduct specific enough to indict specific behaviors. The development of a politi- cally practical conception of corruption was facilitated by two developments associated with the liberal revolutions. First, as Friedrich has observed, the notion of a deviation from office required the development of rationalized bu- reaucracies, that is, institutions with explicit, written, and publicly available codes that define offices. As bureaucra- cies rationalized, corruption came to be conceived as “a particular form of political pathology rather than global degeneration.” As such, it could “be defined in behavioral terms, and the activities objected to [could] be outlawed” (1989, 21).

Second, as Euben (1989) has pointed out, the mod- ern conception of political corruption depended upon the notion that an institution can be better than the individ- uals who constitute it. Madison, the first thorough-going

modernist in this regard, understood that public roles could be circumscribed by broadly distributing powers of decision making, providing officials and citizens alike with the motives and capacities to flush out conspiracies against the public interest. Under this emerging concep- tion, then, it was not necessary to define corruption in moral terms at all. Indeed, it is best to assume that indi- viduals naturally pursue their own interests, even against the public interest (Hamilton, Jay, and Madison 2000, no. 51). A good political system follows from power distri- butions that motivate self-interested individuals to check the abuses of other individuals, thus giving each a stake in defining norms of public office. The modernist ap- proach thus penetrates character just enough to solidify the definition of corruption in terms of a conflict between private and public regarding motivations. As Friedrich ar- gues, corruption is not simply a “kind of behavior which deviates from the norm actually prevalent or believed to prevail in a given context, such as the political. It is de- viant behavior associated with a particular motivation, namely that of private gain at public expense” (1989, 15). Most contemporary conceptions—what I shall summa- rize, loosely and not entirely accurately, as “the modern conception of corruption”—follow this logic, conceiving political corruption as individual departures from rules and norms of public office for reasons of private gain (Huntington 1968, 69; Nye 1967; Transparency Interna-

tional 2000, 1).

The advantages of this now-entrenched conception of corruption are many, not the least of which is widespread agreement among professionals that this defines politi- cal corruption. By measuring individual behavior against norms operationalized into laws, offices, and rules, the modern conception lays out markers for how to design institutions to resist corruption. Assuming, with Madi- son, that officials are likely to be self-interested, institu- tions should be designed to ensure that no official has monopoly control over resources; the power they do have should be linked to mechanisms of accountability; and the rules under which they operate should be relatively clear and minimize room for discretionary judgment (Gardiner and Lyman 1978; Rose-Ackerman 1999; Transparency International 2001). In Klitgaard’s concise formulation, institutions can be designed to resist corruption if we

understand that *Corruption* = *Monopoly* + *Discretion* −

*Accountability* (1988, 75).

Without diminishing these important advances, however, we need to ask what features of politics in a de- mocracy—and thus potentials for political corruption— fall outside the modern conception. Its democracy- excluding attributes are as follows:

**The Modern Conception Is Normatively Static.** Perhaps the most serious failing of the modern conception is not (as sometimes charged) that it is normatively empty, but rather that it is normatively static. It provides little insight or guidance into the corruption of norm-creating pro- cesses at the heart of democratic politics. It is unique to democracy—in particular, its deliberative aspects—that normative claims are contested in ways that are them- selves regulated by the norms of openness, publicity, and inclusion of those affected. Ideally, democratic contests are regulated by *second-order norms* such as these, which issue in *first-order norms and goals*—the public purposes, interests, and goals that are entrusted to public officials and codified into public offices (Habermas 1996). Thus, on the one hand, standards of public office in a democracy evolve, sometimes rapidly, so that what is not corrupt one day becomes corrupt the next, as happened in the period of reform following Watergate (Thompson 1995, 3–6). On the other hand, in a democracy such evolutions re- flect, at least ideally, second-order norms of process that can quite properly bring new meanings of corruption in their wake. This is why democratic theory—the discipline that identifies and justifies these norms—is essential to conceptions of corruption.

Among commentators who have written about the normative elements of corruption concepts, few have asked whether, perhaps, the changeable normative ref- erents might be embedded within a normative logic of democracy. Some treat democracy as itself the problem, since it enables public opinion to destabilize the codes that define political corruption (Anechiarico and Jacobs 1996). More ethically robust approaches refer the rules and norms of public offices not to democracy, but to the *public interest* (e.g., Friedrich 1989). These approaches recall classical and early modern republican approaches by noting that what counts as corruption depends, ulti- mately, on a conception of a “naturally sound condition of politics” (Philp 2002, 51; Johnston 1996; Dobel 1978). As I shall argue below, there are some important insights within these earlier, more overtly ethical conceptions of corruption. In particular, classical insights into the role of language in public judgment as well as the notion that a so- ciety, not just its government, can be corrupt will find key roles in a democratic conception of corruption. But these selective insights should be distinguished from a more en- compassing republican nostalgia. Indeed, comparing our pluralistic and ethically reflexive society to those with cer- tain but static normative references can reinforce the view that without these static references political corruption is simply a relative matter, blown this way and that by the changeable winds of public opinion.

A second approach, favored by those seeking em- pirical measures, views conceptions of political corrup- tion as dependent upon regime type and political culture. Comparative analysis should, in this view, focus on study- ing prevailing norms, which can then be used to specify context-dependent understandings of political corrup- tion (Heidenheimer 2002; Peters and Welch 1978; Scott 1972). From the perspective of democratic theory, these approaches are interesting, since they refer corruption to public opinion, the ultimate source of judgment and le- gitimacy in a democracy. But rather than treating public judgment as a dynamic process that, ideally, is structured by democratic norms and institutions, these approaches treat norms as static, given by a background culture of expectations.

A third approach, market-based conceptions of corruption, appears to give up normative references altogether for a behavioral description of incentives and opportunity structures. Corruption, in this view, is rent- seeking behavior facilitated by the monopoly powers of government (Anechiarico and Jacobs 1996). Unlike gov- ernment, markets check potential abuses because they disperse power. So rather than define ethical constraints into public offices, it is better to minimize the powers of government, in this way reducing opportunities for corruption. As Philp has pointed out (2002, 49–50; see also Johnston 1996, 27), market-oriented approaches take for granted conceptions of public office that enable mar- ket mechanisms and measure corruption against these norms.

**The Modern Conception Focuses on Behavior Rather than Integrity.** If the strength of the modern conception is that it is rule-based, allowing for an even-handed appli- cation of norms and standards to the behavior of individ- uals, it is also its weakness. There are limits to what rules canencompass, especiallywhenofficials’ tasks require cre- ativity, as do many bureaucratic positions and all political positions. Rule-based approaches to controlling corrup- tion tend toward rigidity, while devaluing integrity and professionalism (Anechiarico and Jacobs 1996, 193, 202; Philp 2001, 362–63), which in turn undermines democ- racy by hamstringing the capacities of government to serve as a collective agent of the people. Market-oriented approaches are particularly culpable in this respect: reduc- ing problems of corruption to flawed incentive structures removes any responsibility for integrity from individuals and market-oriented organizations (Thompson 1995, 67;

Johnston 1996).

Closely related, the modern conception of corruption fails to encompass a particular kind of integrity central to

democratic processes. Under the modern conception, in- tegrity means simply that an official’s behavior reflects the norms of her office. While such a conception of integrity makes some sense within bureaucratic arenas, it is less meaningful in politicized arenas where expectations for behavior are less settled. Democracies make up for this quality of politics by placing a premium upon promises, which are conveyed in speech: a politician has integrity when his decisions and actions reflect the speech that justifies them. Conversely, as I shall suggest below, du- plicitous speech corrupts the currency of promises and justifications that is the life-blood of democracy, a mean- ing of corruption that has antecedents in classical political thought and is common in everyday use.

**The Modern Conception Is Individualistic.** In part be- cause the modern conception of corruption is intertwined with legalistic understandings of individual corruption, it focuses on individual behavior (Johnston 1996, 13). As Thompson (1995) has persuasively argued, however, an individualist focus makes it difficult to conceive of insti- tutional corruption, in which covert norms of exchange within the institution—access in exchange for campaign donations, for example—corrupt the overt purposes of the institution. Focusing on individual behavior detracts attention from institution-defining norms with corrupt consequences.

**The Modern Conception Is State-Centric.** In seeking to avoid overly broad conceptions of corruption, mod- ern conceptions have identified the objects of corrup- tion, “public office,” with the state (Friedrich 1989, 15; Huntington 1968, 69; Nye 1967). Even Thompson, who has provided the only theoretical approach to the cor- ruption of democracy to date, identifies the domain of democracy as coextensive with government when he writes that “[p]rivate interests contaminate public pur- poses in a democracy when they influence the govern- ment without the warrant of the democratic process” (1995, 28). But it is far from necessary for corruption to involve government for corruption to be political in na- ture. This point is especially important in today’s democ- racies, in which politics is increasingly decentered, and the political work of democracy takes new forms (Dryzek 1996; Johnston 1996; Warren 2001, 2003; Young 2000). In the developed democracies, public purposes are more and more farmed out to nongovernmental organizations and profit-seeking businesses. Private auditing firms are charged with ensuring that publicly traded companies provide accurate information on their finances; scien- tific research teams, drug companies, and hospitals are

charged with furthering public health; professional asso- ciations such as the American Bar Association are charged with regulating its members in the interest of the rule of law, and nonprofit development corporations are charged with revitalizing urban neighborhoods. Allsuch organiza- tions can become corrupt in a generically political sense, since political corruption is possible whenever a collec- tivity has within its power—because of its control over resources—to produce harms for which they seek to avoid accountability in order to benefit its members.

**The Modern Conception Fails to Encompass Demo- cratic Capacitiesto Associate.** Finally, in seeking to avoid global, moralizing concepts of corruption, modernists shed the ancient and early modern view that a people or society may be corrupt. To be sure, the ancient and early modern views were so encompassing as to be use- ful only in relatively undifferentiated societies (Johnston 1996, 13). But these views did tap an attribute of society that has a new relevance in today’s democracies: namely, that democracies work when their people have capacities to associate for collective purposes—a capacity now com- monly referred to as social capital. While the ancient and early modern views must be recast to be relevant, unlike the modern view, they did include the idea that corruption in a democracy involves, somehow, the mistrust, lack of reciprocity, mutual suspicion, and greed that undermine people’s capacities to associate.

In making these indictments, I am suggesting that we lack a conceptual guide to the question of what corrup- tion means in a democracy, mostly because the damages of corruption have not been related systematically to demo- cratic norms. A conceptual strategy for doing so would involve two steps. Since all concepts of political corrup- tion are specified by reference to a good political order, the first involves identifying a general norm of democracy— its defining good—that can be corrupted. I shall refer to this good as *empowered inclusion*, which specifies corrup- tion as a form of *duplicitous exclusion*. Second, because democracies today are *differentiated* in structure—most importantly, among state, spheres of public judgment and opinion, society, and markets—the meanings of empow- ered inclusion differ by domain. Accordingly, meanings of corruption reference domain-specific meanings of em- powered inclusion. If successful, this conceptual strategy will produce a differentiated conception of corruption, within which domain-specific meanings of corruption are related through their common reference to empow- ered inclusion. The remainder of this article sketches this two-step strategy for developing a democratic conception of corruption.

# Corrupting Democracy

The broadest meaning of political corruption is not in dispute: political corruption is the inappropriate use of common power and authority for purposes of individual or group gain at common expense. Virtually all meanings of political corruption, ancient and modern alike, share the following propositions:

1. An individual or group of individuals is entrusted with collective decisions or actions.
2. Common norms exist regulating the ways individuals and groups use their power over collective decisions or actions.
3. An individual or group breaks with the norms.
4. Breaking with the norms normally benefits the indi- vidual or group and harms to the collectivity.

Differences among conceptions of corruption have to do with how these core propositions are interpreted, espe- cially with respect to norms regulating collective action. The highly moralized ancient and early modern concep- tions made sense for solidarity-based societies with low levels of differentiation, while modern conceptions pre- supposed the higher levels of normative differentiation associated with constitutional state-building.

Likewise, a *democratic* conception of corruption would require that we interpret each element in ways meaningful for democratic societies. With regard to A, in today’s democracies, it is not only public officials who are entrusted with collective power, but also associations, corporations, and any number of other entities that con- tribute to collective decision making and collective action. A democratic conception of corruption should thus ex- tend to any person or group in a position enabling them to make use of collective powers or make collective deci- sions. For any individual, a “public” matter is any in which a collectivity has the capacity to affect her life. Relative to the modern conception, then, a democratic conception should *broaden* the domain to which the notion of politi- cal corruption applies, so that it includes not only the state (as does the modern conception), but also any collectivity with control over resources that people need or want. A corollary involves the broadening of the concept of col- lective power to include not only state power, but also

1. the “force” of collective judgment and argument (as in the ancient conception), and (b) control over economic resources sufficient to generate harms. That is, the possi- ble domain of political corruption should be coextensive with the domain of politics, which takes on multiple forms in contemporary democracies.

With regard to B, the defining norm of a democ- racy is a second-order norm of process: a political system should maximize rule by and for the people. In the tradi- tion of liberal democracy, this second-order norm is based on the first-order norm that the individuals constituting “the people” are of equal moral worth, such that each is entitled to benefit from and participate in collective self- rule. The norm of democratic political equality follows: *every individual potentially affected by a decision should have an equal opportunity to influence the decision.* The corollary action norm is that *collective actions should re- flect the purposes decided under inclusive processes.* In short, the basic norm of democracy is *empowered inclusion of those affected in collective decisions and actions* (see, e.g., Habermas 1996, chap. 3; Young 2000, 5–6). Democracy requires that individuals have an equal opportunity to af- fect such collective matters andthat these opportunities be effective in two dimensions, power and judgment. In the dimension of *power*, democracy requires institutionalized empowerments of individual participation in collective decisions, such as the right to vote. The corollary action norm implies trustworthy and effective collective agents, such as governments, to convert collective decisions into collective actions. In the dimension of *judgment* , democ- racy requires equal chances to influence public judgment, actualized in rights and effective opportunities to speak and to be heard in those deliberative processes that define the agendas, choices, and public framing of issues (cf. Dahl 1998, 37–38). Thus, relative to both the ancient and modern conceptions, a democratic conception of corrup- tion should *narrow* the normative referents with respect to first-order norms, leaving only the principle of equal moral worth of individuals, while *broadening* its refer- ence to second-order norms, those having to do with the processes by means of which collective judgments about first-order norms are made.