

Vertical and horizontal accountability of global elites: some theoretical reflections and a preliminary research agenda

Hoffmann-Lange, Ursula

Veröffentlichungsversion / Published Version

Zeitschriftenartikel / journal article

Zur Verfügung gestellt in Kooperation mit / provided in cooperation with:

GESIS - Leibniz-Institut für Sozialwissenschaften

Empfohlene Zitierung / Suggested Citation:

Hoffmann-Lange, U. (2012). Vertical and horizontal accountability of global elites: some theoretical reflections and a preliminary research agenda. *Historical Social Research*, 37(1), 193-208. <https://doi.org/10.12759/hsr.37.2012.1.193-208>

Nutzungsbedingungen:

Dieser Text wird unter einer CC BY Lizenz (Namensnennung) zur Verfügung gestellt. Nähere Auskünfte zu den CC-Lizenzen finden Sie hier:

<https://creativecommons.org/licenses/by/4.0/deed.de>

Terms of use:

This document is made available under a CC BY Licence (Attribution). For more information see:

<https://creativecommons.org/licenses/by/4.0>

Vertical and Horizontal Accountability of Global Elites: Some Theoretical Reflections and a Preliminary Research Agenda

*Ursula Hoffmann-Lange**

Abstract: »Vertikale und horizontale Verantwortlichkeit globaler Eliten: Theoretische Überlegungen und eine provisorische Forschungsagenda«. Globalization has given rise to an ever-increasing number of global elites holding leadership positions in transnational institutions, corporations and NGOs. This raises questions regarding the structure and accountability of these elites. Are they just an abstract category of position-holders representing national or organizational interests in transnational decision-making or do they rather form a cohesive ruling group united by common interests, as some theoreticians of globalization have assumed? Elite theory has identified a number of relevant characteristics that can be used for assessing the nature of this nascent elite formation. These include primarily the prevailing patterns of elite recruitment with respect to the representation of societal diversity, the mechanisms of elite accountability and the existence of informal rules of conduct that enable the accommodation of conflicts of interest.

Keywords: elites, globalization, elite recruitment, representation.

Introduction

Globalization has given rise to an ever-increasing number of transnational actors that include global and regional political, administrative and legal institutions such as the United Nations (UN), the European Union (EU), the Organization for Security and Co-operation in Europe (OSCE), the North American Free Trade Association (NAFTA), the Association of Southeast Asian Nations (ASEAN), the International Monetary Fund (IMF), the World Bank, the International Criminal Court or the European Court of Justice, as well as advisory bodies such as the Organisation for Economic Co-operation and Development (OECD) or EUROSTAT. Additionally, large corporations with branches in several countries have increasingly developed into global actors for whom their country of origin has lost its importance (cf. Sklair 2001, 19). Likewise, the number of transnational Non-Governmental Organizations (NGOs) and relief organizations has exploded over the last decades.

* Address all communications to: Ursula Hoffmann-Lange, Westendstraße 60, 63128 Dietzenbach, Germany; e-mail: ursula.hoffmann-lange@uni-bamberg.de.
A previous version of this paper was presented at the ECPR General Conference, August 25-27, 2011, in Reykjavik, Iceland.

The individuals holding positions of leadership in these transnational institutions, corporations and NGOs can be considered as belonging to an emerging global elite. It is obvious that the transfer of decision-making power to such transnational actors raises questions about their personal characteristics, their orientations and their basis of legitimacy. Elite theory provides the necessary analytical tools for a critical assessment of the character of these elites and the degree of their cohesion that is in turn relevant for determining to whom they can be held accountable.

Studies of transnational elites have so far been a preserve of historians and specialists in International Relations (IR). While elite research has regularly considered military elites as an important sector in its own right (e.g. Aron 1950; Zapf 1965), it has primarily discussed their role and power within the national and not within the international context. If diplomats have been included in national elite studies at all, they were considered as part of the national civil service elite. Only Wolfgang Zapf, in his study of changes and continuities in the German elites from 1919 to 1961, treated them as a separate elite category, stating that this elite group had considerably increased after 1945 due to West Germany's growing international involvement (1965, 88-9). Apart from studies of these two elite groups and a growing body of research on EU elites, elite research has long neglected the growing number of elites involved in transnational decision-making. Over the last twenty years, various studies of higher civil servants working for the European Commission, as well as of candidates and members of the European parliament (e.g. Hooghe 2006; Schmitt and Thomassen 2002; Scully 2005; Wonka 2008) have explored the socialization effects of EU institutions on European elites. This body of research is particularly relevant for answering the central question of whether a new type of global elites is emerging whose members lack national ties and whose outlook is primarily transnational.

Elite theory deals primarily with four characteristics of elites in order to assess their relationship with society at large. The first is elite recruitment and career patterns. This is the most established field of elite research which provides information on the exclusiveness vs. openness of elites, i.e. the degree to which (formal) restrictions in the access to the elites based on ascribed criteria such as ethnicity, religion or rigid class lines exist. Career patterns are important because they show whether career opportunities are restricted to a select few, e.g. graduates from special elite schools or universities, and whether the selection of future elites is already made at an early stage of their professional careers. While this is not incompatible with selection according to meritocratic criteria, an early closure implies that institutions of elite education play a central role in the selection of future elites (Bourdieu 1989). Since gross inequalities of career opportunities based on family background are incompatible with democratic principles, data on the social backgrounds and careers of elites provide information on the fairness of the prevailing mobility patterns in soci-

ety (cf. Domhoff 1998, ch. 3).¹ Career patterns give evidence on the type of qualification prevailing in different sectors and for different positions. Positions requiring specialized knowledge can be distinguished from those for which generalized leadership abilities are more important and whose incumbents can move more easily between different types of organizations (cross-over).

The second important characteristic of elites is the degree of elite consensus vs. elite conflict. The *theory of democratic elitism* assumes that democratic elites pursue conflicting interests and has primarily dealt with the question of how such conflicts of interest can be accommodated within the framework of liberal democratic institutions (e.g. Aron 1950; Keller 1963; Dahrendorf 1967). John Higley and his associates (e.g. Field and Higley 1980; Higley and Burton 2006, ch. 1) have developed this theoretical model into a comprehensive theory of elite types, linking the nature of elite conflict/consensus to the character of political regimes and arguing that only liberal democratic elites exhibit a particular combination of elite consensus on procedural matters and elite conflict over policy substance. Such *consensually unified elites* have historically been the exception rather than the rule, and can be distinguished from *disunited elites* that are characterized by the existence of warring elite factions fighting for political dominance, on the one hand, and *ideologically united elites* whose unity is based on a common ideology on the other.

The third characteristic pertains to the question how well elites represent the diversity of interests in society. Schumpeter's model of representative democracy, defined as an open electoral competition for votes and leadership (1942), implies that citizens have a meaningful choice in selecting their representatives. While the model is based on the expectation that free elections are an effective instrument for ensuring the responsiveness of governments to the demands of the citizens,² it is limited to the selection of political representatives, and fails to take into account the existence of other elites whose power is not based on general elections, but "who are able, by virtue of their strategic positions in powerful organizations and movements, to affect political outcomes and the workings of political institutions regularly and seriously" (Best and Higley

¹ Longitudinal elite studies of Western societies show that during the period of democratization the share of elites belonging to the nobility decreased (Putnam 1976; Rush 2007), while the share of elites coming from lower-class backgrounds increased. However, during the second half of the 20th century the importance of an academic education for achieving higher professional positions has risen dramatically. This implies that the offspring of the educated middle-class enjoy a considerable educational advantage. Due to the educational aspirations prevailing in such families, their chances of attending prestigious educational institutions is much higher, which makes it easier for them to reach elite positions (Gaxie and Godmer 2007). Thus, although most formerly existing formal barriers have been abolished, informal mechanisms prevent elites from being representative of the general population in their socio-economic backgrounds.

² Körösiényi's article in this issue shows, however, that political competition is much more limited in practice.

2010, 6). The political influence of civil service, military, judicial, economic, associational, media or academic elites is therefore not covered by the model. This implies that the concept of political representation needs to be extended to include the question how the policy preferences of the citizens are reflected in the preferences of this broader stratum of strategic elites. In his analysis of German society, Ralf Dahrendorf argued that a liberal elite formation is pluralistic rather than monopolistic and therefore reflects the plurality of interests in society (1967, ch. 17).

Social critics have frequently criticized the theory of democratic elitism because of its reliance on the mechanism of horizontal accountability, i.e. the assumption that competing elites serve as checks and balances for each other, thereby bypassing the question of vertical accountability (e.g. Bachrach 1967). This leads us to the fourth and most controversial aspect of elites, i.e. the degree of concentration of power. Ruling class theories, as well as power elite theories (e.g. Mills 1956; Miliband 1969; Domhoff 1998), have presumed that the ostensibly pluralist power structure of modern democracies disguises the continued existence of small and unified power elites, whose members primarily pursue their class or positional interests while the interests of the bulk of the citizenry are largely ignored.

This paper is an attempt to provide an overview of the literature on the different groups that make up the global elites, their personal and professional backgrounds, as well as their national vs. global orientations. It will also discuss the normative question of the democratic legitimacy and accountability of these global elites.

Who Belongs to the Global Elites? Institutions and Organizations

There is widespread agreement on the existence of transnational elites in different sectors. The studies by Carroll and Fennema (2002, 2004, 2006) and by Kentor and Jang (2004, 2006) confirm an increase in interlocks among the largest international corporations, evidenced by rising numbers of board members with different national backgrounds. The two teams of authors disagree, however, on how far this trend has proceeded. While Carroll and Fennema claim that national boundaries are still important, Kentor and Jang emphasize the rise of a post-national business elite for whom their national backgrounds have lost relevance.

The economic interests of these power elites are increasingly globally linked rather than exclusively local and national in origin ... More importantly, these elites are outside the control of the nation-states within which they are geographically located (2006, 604).

Scholars in the ruling class tradition, such as Leslie Sklair (2001) and William Robinson and Jerry Harris (2000), also claim the existence of a Transnational Capitalist Class (TCC), dominated by the heads of the large multinational corporations, although they do not provide more than anecdotal evidence for its existence.

Sklair, who gives his somewhat tautological objective as “to demonstrate that the transnational capitalist class is transnational (and globalizing) in several respects” (2001, 18), lists four fractions of the global elite:

- corporate fraction – executives of transnational corporations (TNCs)
- state fraction – globalizing bureaucrats and politicians
- technical fraction – globalizing professionals
- consumerist fraction – globalizing merchants and media (2001, 22).

At the same time, he assumes that the corporate fraction holds the central power-wielders, while the state fraction and the technical fraction play only subordinate roles. Although his book deals primarily with the strategies of TNCs, it is not a class analysis in a strict sense, nor does he attempt to demonstrate that the capitalist class exerts political power. Instead, he claims that TCC’s power is assumed and asserted:

The TCC seeks to exert economic control in the workplace, political control in domestic and international politics, and culture-ideology control in everyday life through specific forms of global competitive and consumerist rhetoric and practice (2001, 19).

He claims

that at each stage corporate actors and their allies form ‘iron triangles’ of public interest groups, regulatory agencies, and Congressional committees, and if these are in line with corporate interests, corporations will win the battles over legislation (Sklair 2001, 28).

In plain text, this implies that the preferences of the civil society and political actors are frequently in line with corporate interests, and if this is the case, legislation will reflect corporate interests. Conversely, one is tempted to conclude that, if these preferences are not in line with corporate interests, the latter will not necessarily win out. Moreover, Sklair’s analysis completely disregards conflicts within the business community itself. Structural neo-Marxist analyses, such as Claus Offe’s analysis of class power and the political system, have developed a more nuanced picture of capitalism. They suggest that the “influence theories” explaining the dominance of capitalist interests as the result of direct political influence of corporations are inadequate, because the long-term interests of the capitalist system of production are better preserved by autonomous state institutions (Offe 1973).

The analysis by Robinson and Harris (2000) is more sophisticated. While the authors assume the existence of a global ruling class, they also allow for the existence of lower-level elites, e.g. managers of transnational corporations, universities, think-tanks, and an incipient set of transnational state institutions.

They even acknowledge the existence of conflicts of interest within the TCC and distinguish three different fractions, the free-market conservatives, the neoliberal structuralists, and the neoliberal regulationists. Despite their Marxist vocabulary, they depict an elite structure that resembles what non-Marxists would call a pluralist elite.

Robinson and Harris also claim that the TCC is a class-in-itself and a class-for itself and that it has become the hegemonic class fraction globally.

At the level of agency, the TCC is class conscious, has become conscious of its transnationality and has been pursuing a class project of capitalist globalization, as reflected in its global decision-making and the rise of a transnational state apparatus under the auspices of this fraction (2000, 18).

This is not an explanation, but rather a statement that one can believe or not.

It is obvious that neither of these analyses provide a useful starting point for identifying members of the global elite because they are preoccupied with the class nature of power and consider TNCs as the only powerful global actors. Elite theory, however, has instead insisted from the beginning that differentiated societies have several loci of power, and that political power is exercised in an autonomous way (cf. Higley and Burton 2006, 5-8). These points are widely accepted, and even some Neo-Marxists, such as Claus Offe and Nicos Poulantzas (1975), have accepted that state institutions are autonomous actors, even though both authors have also emphasized the capitalist nature of the state.

David Rothkopf's (2008) analysis of what he calls a *superclass* assumes the existence of a global power elite, and he explicitly refers to C. Wright Mills' (1956) analysis of the American elite in the 1950s as an analytic and theoretical model. At the same time, though, he claims that the distribution of power has fundamentally changed since Mills' day "not just away from the United States and Europe, but away from nations", and that a new global power elite (superclass) "plays a similar role in the hierarchy of the global era to the role that the U.S. power elite played in that country's first decade as a superpower" (2008, 9). He estimates that the entire superclass consists of approximately six thousand individuals: these include top government leaders from internationally active countries, key executives and active shareholders of the world's two thousand leading corporations, as well as leaders of terrorist organizations and the "masters" of organized crime families (2008, 31-4). Later in the book he provides a list of demographic characteristics of these 6,000 individuals and lists their institutional affiliations: 50 per cent are from the business and 13 per cent from the financial sector; 18 per cent are government officials; 7 per cent are military and defence representatives; religious leaders contribute 4 per cent, and 2 per cent of the group belong to the shadow elite of organized crime and terrorists. Most importantly, he emphasizes that nearly all of them (98 per cent) have an institutional power base in one of the institutions listed above (2008, 291).

Rothkopf does not, however, provide the criteria on which he based the selection of the purported 6,000 individuals belonging to this global power elite. His examples show that he considers the super-rich, the heads of the large transnational corporations and the heads of international bodies such as the UN, the WTO, the World Bank, the OECD, the IMF and the EU as important global actors. He also mentions networks of leading national politicians who are involved in making global policy decisions, i.e. the heads of government of the G8 countries, but also other participants at the meetings of the World Economic Forum in Davos, as well as the global media and prominent intellectuals, such as Brazilian writer Paul Coelho. Unlike Sklair or Robinson and Harris, Rothkopf does not assume that his *superclass* constitutes a unified elite with common interests. Instead, he portrays it as a merely statistical category of powerful individuals who may pursue a variety of different objectives.

The three-volume work edited by IR specialists Christer Jönsson and Jonas Tallberg on “Democracy Beyond the Nation State? Transnational Actors in Global Governance” claims explicitly to “summarize extant research on transnational actors and their role in democratizing global governance” (Jönsson and Tallberg 2010, Vol. 1, viii). However, contributions to the three volumes do not mention the existence of any studies dealing specifically with transnational elites. The research presented is instead devoted to studying organizational structures and decision-making rather than the individuals involved in those organizations and processes. The contributions deal with a large variety of actors, thus suggesting the existence of a fragmented and pluralist structure of global elites.

It is also obvious that the concept of transnational actors is much broader than the concept of global elites. Uhlin’s chapter in the third volume, for example, outlines purely analytical distinctions which the author considers as “dimensions along which we can distinguish between different categories of TNAs” (2010, 17). These dimensions relate to abstract concepts, such as motivation, structure, power etc., which can therefore only be used to compare the various actors after they have been identified in the first place.³ The reader is ultimately left only with the distinction between economic, political and civil society actors, which does not help greatly in identifying transnational actors, let alone in assessing their relative power.

³ These dimensions are the following:

- Principal ideas and motivation: instrumental values, knowledge, and normative values
- Transnational public spheres in which different types of TNAs operate: global market economy, transnational political society, transnational civil society
- Internal structure, ranging from formal, hierarchical organizations to diffuse networks
- Degree of autonomy, i.e. financial basis
- Power
- Degree of politicization
- Spatial extension of the actor (Uhlin 2010, 17-21).

Since the literature discussed above has failed to specify criteria for selecting organizations or individuals belonging to the global elites, any empirical study will have to start out by identifying relevant sectors, institutions and organizations whose leaders can be considered to be globally powerful and therefore belong to the global elites. While some of these elites may be “new” in the sense that they represent ascending economic sectors (e.g. IT companies), transnational interest associations and NGOs, as well as transnational and international political, administrative or judicial bodies, many of them are in fact national elites whose range of activities has increasingly become global in scope and who typically represent national interests rather than those of a transnational community. Insofar, the interlocks between national and international elites are of fundamental interest (cf. Pakulski 2011).

Background, Careers and Living Conditions

Most of the literature on global elites does not deal with individual elites and does therefore not provide information on their social backgrounds. Indeed, Rothkopf is the only author to mention some key demographic characteristics of the 6.000 individuals making up his presumed superclass: 93.7 per cent are male, their median age is fifty-eight, 17 per cent are U.S. citizens, another 40 per cent come from just ten important countries (U.S., China, Britain, India, Brazil, Russia, Germany, Japan, Mexico, and France), among which representatives from the emerging world, especially from Asian countries, are the fastest-growing group. About 30 per cent attended just twenty elite universities (e.g. Stanford, Harvard, the University of Chicago), with almost all (91 per cent) holding a first- and nearly half a postgraduate degree. Wealth is finally mentioned as a sufficient, albeit not necessary criterion for inclusion. Rothkopf claims that “virtually all of the world’s nearly one thousand billionaires made the list by definition, and that 60 per cent are at least millionaires” (2008, 291).⁴ The author does not mention, however, what criteria he applied in selecting these individuals, and he does not explain whether his figures are estimates or empirical findings.

There is also not much evidence of the global nature of the allegedly “global elites”. Little is said about their international experience, mobility, or identity, and even less is said about the allegedly global scope of their power. It can be assumed that familiarity with the living conditions in other countries and cultures facilitates cooperation among individuals from different countries and fosters some form of global/international identity. It is also well-known that the international mobility of university students has increased during the last dec-

⁴ Sklair only mentions that the members of the TCC share similar lifestyles, particularly patterns of higher education and consumption of luxury goods and services (2001, 20).

ades, especially in Europe, thus providing possible bases for internationalisation. But we know very little about how many members of the allegedly global elites have spent at least part of their life abroad, including the years spent at foreign universities, or how many are “de-nationalized” in their identities, commitments and outlooks. A new study of German top-managers confirms that international experience has indeed become more important in recent years, at least in the economic sector. While the percentage of top managers who spent some time of their career working abroad was less than one quarter in 1960 (23.7 per cent), it rose to nearly two thirds (63.8 per cent) by the year 2000 (Freye 2009, 116). Likewise, a longitudinal study of high-ranking Eurocrats for the period 1960 to 2000 shows an internationalization and Europeanization of the educational institutions attended and the years spent abroad before they were appointed to their posts (Georgakakis and Lassalle 2007; Georgakakis 2009).

An interesting, albeit limited study of international financial elites in Singapore confirms that they form a specialized global elite group whose members are highly educated, highly-skilled, high-paid, highly-mobile and translocal. Members of this elite live in special neighbourhoods, belong to the same clubs, and primarily interact with one another and their “western educated/experienced” Singaporean work colleagues, but not with other local elites (Beaverstock 2002). Despite its limitations in terms of sector and numbers (n=24), the study shows the emergence of transnational elite networks in certain urban places with a high number of expatriates. This is not a new pattern, however, because upper-class expatriates have always behaved this way. Nevertheless, globalization has contributed to a sharp increase in the numbers of such expatriates over the last two decades.

National vs. Global Orientations

Do people working for transnational institutions and organizations lose attachment to their native country and start forming something like truly global identities? Do they form an elite in the sense of a collective for whom national background has lost its relevance? These are important theoretical questions that are especially pertinent for chief executives of transnational corporations who regularly travel back and forth between countries. Their places of work and residence as well as the branches that they oversee may change frequently and rapidly. They also spend at least a part of their careers abroad. The labour market for such top managers has become global and it is easy to imagine that they consider the whole world to be home. Indeed, Beaverstock’s analysis shows that such managers do not usually identify with their particular place of residence, mainly because they know it will only be temporary. Ultimately, however, all corporations have their headquarters somewhere, and while they may open and close branches all over the globe, it is not so easy to transfer the

headquarters of a large TCC to another country. This gives the national governments of the countries where the headquarters of such global players are located at least some leverage to enforce national standards of conduct and the observance of national laws. Even so, the business and financial sectors and their elites are certainly more globalized in their outlooks than any other elite group.

The situation is quite different for elites working in transnational institutions such as the European Union. The availability of survey data for high-ranking EU civil servants and European parliamentarians provides evidence that working for European institutions contributes to strengthening their European as opposed to their national identity, although several empirical studies (e.g. Scully 2005; Hooghe 2006; Quaglia, de Francesco and Radaelli 2008) failed to uncover strong socialization effects for either category. While the respondents supported European unification more strongly than national bureaucrats and parliamentarians, let alone the voters of their home countries, the respondents' support for European integration did not increase with length of service. Instead, the studies concluded that such support is the result of self-selection rather than socialization through working for European institutions. Given the transnational character of the EU as a multi-level system, in which national interests still dominate the decision-making process, this result is not really surprising.

This is especially true for MEPs since parliamentarians are expected to represent their national or even sub-national constituencies. Scully's data reveal that MEPs tend to spend part of the week in their home countries, and are in regular contact and strongly identify with their national party (2005, 73-4). He is therefore critical of the socialization hypothesis and concludes that elites are not empty vessels in whom new values can be inculcated simply by their moving to a new workplace. Instead, he argues that the prevailing incentive structures need to be taken into account. This implies that MEPs have to balance the interests of their national electorate, their national party and their EP party group.

The conclusions from the existing research on EU elites can probably be generalized to other transnational political institutions as well. Its main message is that national background is (still) much more important in shaping the orientations of such elites than the international environment in which they currently work. Hooghe (2006) presumes that the main reason for the lack of socialization effects is that these elites are usually recruited at later stages of their career, i.e. after they have spent a good deal of their professional life in their home countries. If this is true for the European Commission, it should apply even more to high-ranking officials in international institutions, such as the UN or NATO, who are mostly recruited on the basis of national or regional quota.

These results also indicate that the orientations of transnational elites cannot be reduced to the question of national vs. global, but have to be conceived as structured by a complex set of role requirements that may be in conflict with each other. Such conflicts of interest are inherent in most professional roles and are therefore nothing new. This implies, however, that the structure of these orientations has to be studied empirically and cannot be imputed. A first step would be to look at the elite selectorates and other relevant reference groups, which are necessarily different for different elite sectors.

Legitimacy and Accountability of Global Elites

Democracies ensure the democratic legitimacy of political representatives by general elections. Until recently, such national democratic legitimacy was also considered as sufficient for the participation of national politicians in international politics. The increased pressure to find solutions for global problems, such as climate change, natural or technical disasters, international terrorism, and the global financial crisis, however, has increased demand for transnational decision-making, as well as adding to the impact of those decisions on the living conditions of people. Because such decisions affect people worldwide, the legitimation of the relatively small set of national politicians and high-ranking civil servants involved in those decisions has increasingly been questioned. Political activists as well as political scientists have criticized the democratic deficit of transnational institutions, resulting in demands for a better democratic legitimation of those institutions. Such demands are especially common with regard to the EU, which has acquired decision-making authority in a ever-increasing range of policy fields. Demands for more participation rights of the EU citizens have eventually resulted in the introduction of the direct elections to the EP and the increase of its decision-making powers.

However, while the *demos* – a body which is supposed to confer democratic legitimacy – is clearly defined in the case of the EU, the same cannot be said of other transnational institutions. Moreover, the problem is aggravated by the fact that many governments that take part in decisions taken by transnational bodies represent countries with authoritarian regimes and cannot even claim democratic legitimacy for themselves. Traditionally, therefore, transnational bodies have been considered as representing countries rather than the citizens of those countries, and changing the model of representation would pose practical problems, particularly a problem of scope. Even more problematic is the fact that it is not possible to speak of a global *demos* in the same sense as a national *demos*. Many scholars have argued that it is not possible even to assume the existence of a European *demos* forming the citizenry of the EU, even though the process of European integration started more than 50 years ago and despite the fact that the population of the EU member countries, amounting to roughly 500 million people, is considerably smaller than that of China or India. A

meaningful transnational *demos* presupposes some sense of identification of the people with the transnational community, or at least a basic understanding of the political implications of elections for transnational assemblies and of the political alternatives at stake. If this cannot be assumed to be the case in the EU, it is even less justified to assume the existence of a global *demos*.

There have been attempts to circumvent this apparent lack of a global *demos* as a necessary precondition for increasing the democratic legitimacy of transnational decision-making bodies, such as the UN and the IMF. Here, a brief overview of the theoretical analyses of Näsström (2010) and Grant and Keohane (2005) – both dealing with this tricky problem – are useful. Näsström’s article is a critique of two models: the *all-affected principle*, and *discursive representation*. These models propose two ways “to speak for the people by constructing a theory without the people” (2010, 197). The all-affected principle circumvents the lack of a clearly circumscribed global *demos* by demanding that everyone affected by a decision should also be entitled to participate in the decision-making. Näsström concedes that this traditional democratic principle is valuable as a normative principle for nation-states, but has serious deficiencies when considered as a theory of transnational democracy. As such it suffers from the problem that its application would require a transnational authority entitled to determine the relevant *demos* for each upcoming issue. Further, since the model relinquishes the idea of a single *demos*, it also fails to specify a supreme authority for deciding in cases of disagreement over who is entitled to participate in a certain decision (2010, 209).

The *model of discursive representation* offers another substitute for the non-existent global *demos*. It proposes to represent discourses instead of people. This presupposes that it is possible to determine the range of different positions taken on upcoming issues and to institutionalize a Chamber of Discourses in which all relevant dialogues have a voice. Näsström argues that this model has some merit in that it reveals the fact that many interests and ideas are not currently represented in transnational decision-making. On the other hand, however, it is also deficient as a theory of democracy, because it proposes to replace democratic authorization by deliberation.

A proposal by Falk and Strauss (2001) offers yet another solution for the problem of the non-existent global *demos*. The authors propose a treaty among small number of nation-states to set up a global assembly. They argue that such an assembly would initially not be representative of the world’s population, and could not have any decision-making power, but they suggest it would attract wide attention, gain the increasing support of other countries and gradually develop into a more representative institution. They claim that this would be analogous to the development of the European Parliament, which also started out as a weak assembly and eventually became a major force in European politics. However, it is obvious that this analogy is completely mistaken, since the European parliament has always been a representative body of all member

states. Moreover, the modest turnout at European elections indicates fairly low citizen interest in transnational issues, which makes it rather unlikely that such a global assembly would be able to gain any democratic legitimacy, at least in the short run.

While Näsström deals mainly with decision-making in supranational political institutions, Grant and Keohane (2005) take a broader approach. As the title of their article “Accountability and Abuses of Power in World Politics” indicates, their aim is also more modest. Instead of proposing institutional innovations to democratize transnational decision-making, they propose relying on mechanisms of accountability that are already available and to apply them in practice. They start out by a simple fourfold table, distinguishing two types of agents and two types of accountability (see Table 1).

Table 1: Different Models of Accountability

	Selectorate	
Conception of Actor	Participation model: Election by a demos	Delegation model: Delegation of authority by a principal
Instrumental agent	Mandate	Specified duties and obligations
Discretionary authority	Retrospective control	Trustee

Adapted from Grant and Keohane (2005, 32).

The authors argue that the participation model cannot be applied to transnational decision-making since there is no such thing as a global *demos*. They claim, however, that accountability can also be secured under the delegation model and list seven mechanisms that may be applied to ensure accountability to the selectorates and sponsors of transnational actors:

- hierarchical
- supervisory
- legal
- market
- peer
- public reputation.

The article concludes with the recommendation to improve the use of the available sanctioning mechanisms for preventing abuses of power by transnational actors.

Grant and Keohane’s article is extremely valuable because it is based on realistic expectations about human behaviour and applicable to all kinds of transnational actors. It sidesteps the problem of democratic legitimacy, which ensures its universal applicability without ignoring the fact that some trans-

national actors may in fact enjoy such a democratic legitimacy.⁵ This looks like a much more realistic scenario than the creation of a global parliament with only dubious legitimacy.

Moreover, the emphasis on mechanisms for enforcing accountability has the advantage that it can also be applied to private transnational actors, which are much more numerous than transnational political actors. The problem of enforcing accountability is especially pertinent with respect to transnational corporations, since it has to be achieved by political elites who (still) consider themselves foremost as representatives of national interests.

Conclusion

The search for relevant literature on global elites has shown that this is an important but under-researched field. Since globalization has started to produce a broad set of transnational actors involved in making decisions that influence the living conditions and life chances of people around the globe, the study of the leaders of these organizations, their social backgrounds, career patterns and orientations should no longer be neglected. Rather than speculations combined with anecdotal evidence about the character of a transnational capitalist class on one side and demands for improving the democratic legitimacy of transnational political institutions on the other we need to engage in the systematic collection of data on different transnational elite groups that allows us to analyze similarities and differences that exist among and between them. A first step would be to peruse the available research on transnational actors in greater depth than I have been able to do in this paper and to find out what is already known about them. The next step would involve the identification of the most powerful transnational actors, as well as the collection of biographical and survey materials on the members of this group, and then to start analyzing transnational elite networks: this will certainly be a daunting, but a necessary and worthwhile task.

References

- Aron, Raymond. 1950. Social Structure and the Ruling Class. *British Journal of Sociology* 1: 1-17 and 126-44.
- Bachrach, Peter. 1967. *The Theory of Democratic Elitism: A Critique*. Boston: Little, Brown.

⁵ This is certainly true for members of national governments and EU officials, but may be extended to other transnational institutions as well. In the course of increasing transnational cooperation and integration, regional authorities such as NAFTA, ASEAN or the African Union might follow the EU model and create elected assemblies with the power of political oversight.

- Beaverstock, Jonathan V. 2002. Transnational elites in global cities: British expatriates in Singapore's financial district. *GEOFORUM* 33: 525-38.
- Best, Heinrich, and John Higley. 2010. Introduction: Democratic Elitism Reappraised. In *Democratic Elitism: New Theoretical and Comparative Perspectives*, ed. Heinrich Best and John Higley, 1-22. Leiden: Brill.
- Bourdieu, Pierre. 1989: *La Noblesse d'état*. Paris: Les Éditions de Minuit.
- Carroll, William K., and Meindert Fennema. 2002. Is There a Transnational Business Community? *International Sociology* 17: 393-419.
- Carroll, William K., and Meindert Fennema. 2004. Problems in the Study of the Transnational Business Community. A Reply to Kentor and Jang. *International Sociology* 19: 369-78.
- Carroll, William K., and Meindert Fennema. 2006. Asking the Right Questions. A Final Word on the Transnational Business Community. *International Sociology* 21: 607-10.
- Dahrendorf, Ralf. 1967. *Society and Democracy in Germany*. New York: Doubleday.
- Domhoff, G. William. 1998: *Who Rules America?* 3rd edition. Mountain View: Mayfield.
- Falk, Richard, and Andrew Strauss. 2001: Toward Global Parliament. *Foreign Affairs* 80: 212-20.
- Field, G. Lowell, and John Higley. 1980. *Elitism*. London: Routledge & Kegan Paul.
- Freye, Saskia. 2009. *Führungswechsel. Die Wirtschaftselite und das Ende der Deutschland AG*. Frankfurt/Main: Campus.
- Gaxie, Daniel, and Laurent Godmer. 2007: Cultural Capital and Political Selection: Educational Backgrounds of Parliamentarians. In *Democratic Representation in Europe*, ed. Maurizio Cotta and Heinrich Best, 106-35. Oxford: Oxford University Press.
- Georgakakis, Didier. 2009. *Tensions within Eurocracy? A sociomorphological view*. Paper presented at the ECPR General Conference, September 10-12, in Potsdam, Germany.
- Georgakakis, Didier, and Marine de Lassalle. 2007. *Who are the Directors-General? European Construction and Administrative Careers in the Commission*. Brussels: European Commission (Report on Project-No. 513416 of EU-CONSENT).
- Grant, Ruth W., and Robert O. Keohane. 2005. Accountability and Abuses of Power in World Politics. *American Political Science Review* 99: 29-43.
- Higley, John, and Michael Burton. 2006. *Elite Foundations of Liberal Democracy*. Lanham: Rowman & Littlefield.
- Hooghe, Liesbeth. 2006. Several Roads Lead to International Norms, but Few Via International Socialization: A Case Study of the European Commission. *International Organization* 59: 861-98.
- Jönsson, Christer, and Jonas Tallberg, ed. 2010: *Democracy Beyond the Nation State? Transnational Actors and Global Governance*. Volume 1-3. Basingstoke: Palgrave Macmillan.
- Keller, Suzanne. 1963. *Beyond the Ruling Class. Strategic Elites in Modern Society*. New York: Random House.

- Kentor, Jeffrey, and Yong Suk Jang. 2004. Yes, There is a (Growing) Transnational Business Community. *International Sociology* 19: 355-68.
- Kentor, Jeffrey, and Yong Suk Jang. 2006. Different Questions, Different Answers. A Rejoinder to Carroll and Fennema. *International Sociology* 21: 602-6.
- Miliband, Ralph. 1969. *The State in Capitalist Society*. London: Weidenfeld & Nicolson.
- Mills, C. Wright. 1956. *The Power Elite*. New York: Oxford University Press.
- Näsström, Sofia. 2010. Democracy Counts: Problems of Equality in Transnational Democracy. In *Transnational Actors in Global Governance*, ed. Christer Jönsson and Jonas Tallberg, 197-217. Basingstoke: Palgrave Macmillan.
- Offe, Claus. 1973. Klassenherrschaft und politisches System. Die Selektivität politischer Institutionen. In *Strukturprobleme des kapitalistischen Staates*, 65-115. 2nd edition. Frankfurt/Main: edition suhrkamp.
- Pakulski, Jan. 2011: Global Elite: A Myth or Reality? Paper presented at the ECPR General Conference, August 24-27, in Reykjavik, Iceland.
- Poulantzas, Nicos. 1975. *Political Power and Social Classes*. London: Verso Books.
- Putnam, Robert D. 1976. *The Comparative Study of Political Elites*. Englewood Cliffs (N.J.): Prentice-Hall.
- Quaglia, Lucia, Fabrizio de Francesco, and Claudio M. Radaelli. 2008. Committee Governance and Socialization in the European Union. *Journal of European Public Policy* 15: 155-66.
- Robinson, William I., and Jerry Harris. 2000. Towards A Global Ruling Class? Globalization and the Transnational Capitalist Class. *Science & Society* 64: 11-54.
- Rothkopf, David. 2008. *Superclass. How the Rich Ruined Our World*. London: Little, Brown (Abacus Books).
- Rush, Michael. 2007. The Decline of the Nobility. In *Democratic Representation in Europe*, ed. Maurizio Cotta and Heinrich Best, 29-50. Oxford: Oxford University Press.
- Schmitt, Hermann, and Jacques Thomassen, eds. 2002: *Political Representation and Legitimacy in the European Union*. Oxford: Oxford University Press.
- Schumpeter, Joseph A. 1942. *Capitalism, Socialism and Democracy*. New York: Harper & Brothers.
- Scully, Roger. 2005. *Becoming EUROPEANS? Attitudes, Behaviour, and Socialization in the European Parliament*. Oxford: Oxford University Press.
- Sklair, Leslie. 2001. *The Transnational Capitalist Class*. London: Blackwell.
- Uhlir, Anders. 2010. Democratic Legitimacy of Transnational Actors: Mapping Out the Conceptual Terrain. In *Legitimacy Beyond the State? Re-Examining the Democratic Credentials of Transnational Actors*, ed. Eva Erman and Anders Uhlir, 16-39. Basingstoke: Palgrave Macmillan.
- Wonka, Arndt. 2008. Decision-making dynamics in the European Commission: partisan, national or sectoral? *Journal of European Public Policy* 15: 1145-63.
- Zapf, Wolfgang. 1965. *Wandlungen der deutschen Elite*. München: Piper.