

# T18P03 / Trust, Transparency and Public Policy

**Topic :** T18 / Others

**Chair :** Alistair Cole (Sciences Po, Lyon)

## GENERAL OBJECTIVES, RESEARCH QUESTIONS AND SCIENTIFIC RELEVANCE

Trust lies at the heart of contemporary debates regarding governance and democracy (Rothstein, 2005; van Deth et al., 2007; Cook, 2001). Key debates focus on whether the level of trust in democracy is rising or falling over time, the extent to which citizen trust is a prerequisite for good democratic government and more fundamentally how trust can be conceptualised (Fisher et al., 2010; van Deth et al., 1991). Problems of democratic deficit, of the misfit between politics and policy, of political corruption apparently undermine trust in politicians and underpin the emergence in most EU polities of forms of national Populist Party responses (Schmidt, 2006). A recent study by the Herbert Quandt Stiftung foundation (2013) indicates that, while the public has confidence in democracy as a concept, many do not trust government and the way democracy is currently being implemented. Transparency, defined by Grimmelikhuijsen & Welch in terms of 'the availability of information about an organisation or actor that allows external actors to monitor the internal workings of performance of that organisation', is sometimes offered as a remedy to tackle the problems that ostensibly produce such distrust, but understandings of transparency are deeply ambivalent (Cole, 1999).

The panel is intended both to further reflection on a major new project funded by the UK (ESRC) and French (ANR) funding agencies, and to invite general communications on theoretical, empirical and methodological dimensions of trust, transparency, trust profiles and trust-transparency matrices. The trust profile is conceptualised as a mainly heuristic tool to capture macro- and meso level receptions of trust and mistrust, mainly via quantitative survey evidence at the national and European levels (ESS, EVA, Eurobarometer, Transparency international). The trust-transparency matrix is intended to capture the trade-off within policy communities between trusting relationships and formal mechanisms of transparency. Is trust a prerequisite for enhanced transparency? Does transparency produce (mis) trust? Is transparency simply a policy instrument designed to disrupt the operation of the 'private governments' that, following regime theory, govern cities and regions? As a starting point, our case selection rests in part upon a most different logic, based on distinctive positions on the trust-transparency matrix. The UK is presented as being high on transparency, low on trust; France is traditionally lower on transparency, but higher on trust (within policy communities, if not public opinion); Germany occupies a median position in relation to territory, transparency and trust.

Beyond the specific project, the panel is designed to explore more generic questions germane to the functioning of multi-layered democracies. Are certain types of democratic polity/national systems of multi-level governance better equipped to retain trust than others? Are trusting relationships related to national systems of multi-level governance, and the emphasis they place on the scale of governance or the proximity of decision-making? Does Europeanisation engender more distant relationships across the policy spectrum? Or are these sentiments played out differentially according to the field of policy intervention. Thus framed, the panel engages with broad questions of public policy, democracy and post-sovereignty.

## CALL FOR PAPERS

A recent study by the Herbert Quandt Stiftung foundation (2013) indicates that, while the public has confidence in democracy as a concept, many do not trust government and the way democracy is currently being implemented. There is a strong and growing demand for more diverse and effective forms of citizen engagement to increase levels of trust and engage an increasingly diverse, busy and complex urban population. Transparency, defined by Grimmelikhuijsen & Welch in terms of 'the availability of information about an organisation or actor that allows external actors to monitor the internal workings of performance of that organisation', is sometimes offered as a remedy to tackle the problems that ostensibly produce such distrust, but understandings of transparency are deeply ambivalent. Trust & transparency lie at heart of contemporary debates on governance and democracy.

The key questions addressed by the papers in this panel include whether levels of trust in democracy are rising or falling, whether citizen trust is a prerequisite for good democratic government, whether transparency is required to build trust, whether trust is the basis for transparency, how might trust-transparency matrices best be conceptualised and operationalised and how trust and transparency are

incorporated in research design. The panel invites proposals that capture these processes of trust and transparency in (multi-level) policy contexts. These might include the following – non-exhaustive – areas:

- Indicators and definitions of trust (honesty, benevolence, competence, strategic trust, instrumental trust, symbolic trust).
- Indicators and definitions of transparency (decision-making processes, policy content and policy outcomes)
- Trust and transparency in (European) public opinion.
- Trust, transparency and co-production
- Trust, transparency and networks
- Trust, transparency and democracy
- Uses of transparency as a policy instrument
- Trust-transparency and multi-level governance
- New methodological approaches towards trust and transparency
- Trust, Transparency and research design

# T18P03 / Trust, Transparency and Public Policy

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## Session 1 Trust and transparency

Thursday, June 29th 08:15 to 10:15 (Block B 5 - 5)

### Discussants

Alistair Cole (Sciences Po, Lyon)

### **Beyond openness and financial integrity: the need for a democratic assessment of local government**

Christine Cheyne (Massey University)

The 30th anniversary of open government legislation for local government in New Zealand in July 2017 is likely to pass largely unnoticed. New Zealand has scored favourably in rankings of transparency and corruption and it is often noted that local government in New Zealand is more subject to prescriptive transparency requirements than central government. For example, strict legislative provisions govern how local councils consult their communities and ensure that the public can attend council and committee meetings. A similar level of transparency is not applied to the Executive and to central government institutions in making their own decisions. Many are made “behind closed doors” and are not subject to public consultation requirements. While there is potential for integrity breaches by either local elected members or council employees, these are rare.

Yet, changing practices around public participation and new digital technologies are generating elevated expectations and new opportunities for both transparency of, and also diminished accountability by, local government. Assessments of national integrity systems often overlook or give only limited attention to local government. In addition, it is argued that the institution of the Ombudsman which is supposed to be the guardian of open government legislation for both local and central government, needs to be reformed and to be a more effective advocate for open government at all levels. Increasingly, there is suspicion about international measures that find New Zealand to have amongst the highest levels of public sector integrity, financial accountability, and overall transparency. The paper concludes by arguing that, while international comparison is important, relevant benchmarks need to be selected and local government needs to be fully included in an assessment that encompasses not just financial systems but broader democratic processes.

### **Fairness or Political Trust: Public Acceptance towards Congestion Charge Policy in China**

Lingyi Zhou (School of Public Policy and Management, Tsinghua University)

Inhalable particles have become the principal pollution source in China's majority areas, triggering the severe smog crisis and causing great harm to people's health. Various level of Chinese governments started designing and implementing smog control policies, directly and indirectly. Among all alternatives, traffic control has been widely adopted as the most efficient and relevant policy instrument in many cities given that road transport is one of the main sources of PM2.5 accounting for approximately 25-30% per year in major cities. Driving restriction policy has already been adopted in many cities, like Beijing, Shanghai, Hangzhou, Xi'an. However, rule-breaking (i.e. driving on plate restricted days) was constant and pervasive, governments intended to adopt new policy instruments such as congestion pricing like Shenzhen, Shanghai, Hangzhou and Nanjing.

However, public acceptance is an essential prerequisite of congestion charge implementation, representing the legitimacy of policy design. Numerous studies have revealed the determinants of public acceptance towards congestion charge, rooted in psychological (micro-level) and social (meso-level) approach. But these researches are all based on European or American cases, and less has been discussed about public acceptance towards congestion charge in China. While scholars have shown that perceived fairness and

trust in government agencies would positively influence public acceptance, far less attention has been given to clarify the causality of political trust and perceived fairness in the mechanism of acceptance formation. On the one hand, some scholars stated high trust in government could improve people's fair perception, thus enhance their acceptance level (Kim et al., 2013). Whereas, some hold opinions that the assessment of fairness has a casual impact on respondents' trust for authority, and then improve their willingness to accept policy decision (Grimes, 2006).

In light of this literature gap and causality ambiguity, in this paper I use the data collected from Beijing and Shanghai in August 2016, to investigate the determinants of public acceptance towards congestion charge in China and the causality of political trust and perceived fairness in the mechanism of acceptance formation. Specifically, I aim to answer three research questions. First, what factors may influence public acceptance towards congestion charge in China? Second, besides their positive effects on public acceptance towards congestion fee, is there any causality between political trust and perceived fairness in the mechanism of public acceptance? Thirdly, if so, how is the influencing path among political trust, perceived fairness and public acceptance?

Using data derived from Beijing and Shanghai in August 2016, I constructed a structural equation model to examine the role of psychological (pro-environmental attitude and WTP) and social factors (traffic inconvenience, political trust, perceived fairness) on public acceptance. The research findings suggest that traffic inconvenience negatively influence public acceptance, while environmental concern, political trust, perceived fairness have positive effects on public acceptance. Especially, by distinguishing procedural fairness (openness and transparency of policy-making process) and distributional fairness (i.e. equality), I find that there exists the path of 'procedural fairness->political trust->distributional fairness', thus enhancing public acceptance.

### **Trust, Transparency & Multi-level Governance in the UK, Germany & France: Exploring a mixed methods approach**

Alistair Cole (Sciences Po, Lyon)

The general presentation of measures of trust and transparency raises the question: how much do they vary within states, consistent with the tenets of multi-level governance? The communication sets out preliminary findings from the comparative project 'Trust, Transparency & Multi-level Governance in the UK, Germany & France'. In each member-state, we select one strong identity region (Wales, Brittany, Saxony), and one 'instrumental' region (North-West England, Auvergne-Rhone-Alpes, Hesse); this comparative mix allows logically for varying identities, institutional configurations and resource profiles to be captured. In addition to their latent economic fragility, Saxony, Wales and Brittany all have pronounced historical identities. North-West England allows us to capture processes of meso-level convergence and divergence in a context where no formal regional political institutions exist but where new forms of metropolitan governance are taking root; Auvergne Rhone-Alpes and Hesse are regions with less marked historical identities, but more powerful economic and institutional resources, each with a strong metropolis. In each case, the selection of one strong identity, yet economically dependent region, and another more powerful instrumental region allows for within-case comparisons to occur. The paper presents survey data across Europe, as well as the findings of a bespoke survey carried out by You Gov into the new French regions in October 2016. The originality of the project is to admit the possibility that these trust and transparency mixes might vary as much within as across EU member-states, and that they are variable according to policy sector.

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## Session 2

Thursday, June 29th 10:30 to 12:30 (Block B 5 - 5)

### **Investigation of informal accountability mechanisms within the institutional landscape of collaborative governance on a case study of Greater Manchester Local Enterprise Partnership.**

Ania (Anna) Ankowska (Leeds Beckett University)

#### Context:

Over recent decades private and public sector interests have been combined in alliances of cross-sectoral character and informally constituted networks and partnerships (Romzek et al 2013, Pugalis and Townsend 2012), altering the traditional role of the state (Kennett 2013, Black 2008). Consequently, public leaders operate within opaque and networked domains, which has prompted questions about representative democracy (Norris 2014) and ongoing dilemmas about the implications of limited democratic accountability (Papadopolous 2007).

In 2011, the UK government introduced almost 40 Local Enterprise Partnerships (LEPs), business-led entities intended as the new economic governance scalar 'fix' (Pugalis and Townsend 2012, p.4) in which private sector actors have been charged with leading role on the strategic economic development policy (Etherington and Jones 2016, Deas 2013). Due to the lack of a degree of commonality, flexible character and fundamental ambiguity around their roles (Doyle 2013), as well as growing remit (NAO 2016), accountability of LEPs has been put as one of the main challenges since their inception (Frost 2013, Rossiter and Price 2013, Chadwick et al 2013). Recognizing the importance of accountability and transparency concerns, in 2014 the government has charged all LEPs with developing a single assurance framework to ensure they have robust value for money processes in place in 2014.

The purpose of this research is to explore the approach taken to issues transparency and accountability of contemporary networked governance with the particular focus on informal aspects of trust.

#### Methods and methodology

Research is embedded in qualitative paradigm and takes Greater Manchester (GM) LEP as a case study. Over the period of time of May to November 2016, 26 semi-structured interviews of approximately 45min each have been conducted with the private and public sector representatives, members of the board of GM LEP, along with Manchester City Council leaders, representatives of growth-related bodies such as Chamber of Commerce and so-called Manchester Family and councillors involved with Greater Manchester Combined Authority, new statutory bodies that are being created across the UK. Interviews were semi-structured in nature and were complemented by the analysis of documents available such as the assurance framework, or minutes from the meetings.

#### Contribution of the research

The topic remains underexplored as concrete studies of the topic are rare due to the resulting difficulties in adequately assessing accountability, transparency and trust (and the relationship between them) empirically. The research addresses both theoretical and empirical understandings of trust, transparency and accountability as informal mechanisms of decision-making processes. Its particular added value stems from investigation of how informal accountability mechanisms operate within the institutional landscape of collaborative governance, the dynamics of multiple, non-hierarchical accountabilities and inquiry of processes of trust and transparency in multi-level policy contexts.

#### Results of the study

Greater Manchester LEP has decided not to impose any extra formal accountability mechanisms that would enhance the oversight of accountability and transparency issues. Instead, it has been emphasizing the strong informal channels such as values commonly held, mutual trust and confidence, common goals and

collaborative working, the long-term history of cooperation and powerful structures in place. Although a number of authors (see for instance Donald et al 2014 or Lowndes and Gardner 2016) have argued that the intensification of informal networks tends to lead to elites creation that are concerned about private benefits, the case of Greater Manchester demonstrates that trust in governance arrangements and transparency of actions of the people who are involved in decision-making processes is crucial to elimination of the possibility of elite ruling, or serving insider club. Trust is an essential element in the collaborative, multilayered relationships in this informal structure.

### **Does Good Governance Matter for Institutional Trust? Case From Nepal**

Narendra Raj Paudel (Central Department of Public Administration, Public Administration Campus, Tribhuvan University)

The institutional trust is gaining popularity to evaluate the effectiveness of governance system. The assumption behind it is that the legitimized governance system in public and private institutions generates institutional trust. Scholars trace out a number of factors which include economic and socio-demographic factor, performance level of government, critical citizens and good governance determines the level of institutional trust. In this context, the question of research is raised as “does good governance generate institutional trust in Nepal?”. I correlate governance indicators with the trust variables. The governance indicators are measured by accountability, transparency, rule of law and Citizen’s participation variables of public and private institutions. To map the institutional trust influenced by good governance, data were collected from 34 districts out of 75 districts of Nepal. Altogether, 2404 respondents were identified through multi-stage random sampling to gather data on institutional trust. The study reveals that citizens positively evaluate public institutions if they perceive that public institutions such as the national government, local governments, the police as well as the private sectors institutions are accountable, transparent and responsible, practice rule of law and are inclusive.