

Project 2: Voluntary Accountability: Pro-Active Accountability Practices

PhD Project Outline, EU_RICA Grant, “Reputation Matters in the Regulatory State” ERC project

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This PhD project focuses on voluntary accountability. The standard assumption in principal-agent theory (P-A) is that agents would try to ‘defy, duck or game accountability obligations’ (Schillemans and Busuioc 2015). Agency theory assumes goal conflict between the principal and the agent: the agent has his/her own bureaucratic preferences that diverge from those of the principal. Coupled with informational asymmetries that advantage the agent, this creates the opportunity for ‘bureaucratic or agency drift’ (McCubbins, Noll and Weingast 1987; Hammond and Knott 1996). These insights have spawned a prolific and formidable literature on agency design, strategies and mechanisms necessary to control agency discretion, contain drift and keep agents in check.

However, a host of empirical studies documenting *actual* accountability behaviour contradict such theoretical accounts, challenging a mainstay of the dominant theory. While established wisdom characterises agents as *accountability-avoidant*, increasingly and counter-intuitively so, a variety of studies report *accountability-seeking behaviour* on their part. Agencies are found to *pro-actively* provide information, to solicit accountability and to have initiated a whole set of accountability practices and mechanisms toward third parties, stakeholders or other institutional actors *on a voluntary basis*, in the absence of any formal obligation to render account (Schillemans and Busuioc 2015). In other words, organisations are voluntarily seeking to give account. Such counter-intuitive behaviour— from a P-A perspective— is increasingly documented, in a variety of institutional settings, at both national and supranational levels (e.g. Jabko 2003; Yesilkagit and Van Thiel 2008; Magill 2009; Reiss 2011; Schillemans 2011; Busuioc 2013; Koop 2014).

Voluntary accountability, in contrast to mandatory accountability, occurs at the actor’s own initiative. It is also referred to as horizontal accountability by some authors (Verschuere et al. 2006; Bovens 2007; Schillemans 2008), as it often takes place in the absence of a hierarchical relationship.¹ Such initiatives are reportedly primarily geared towards societal actors i.e., clients and the general public, independent overseers or professional peers (Haque 2000; Thatcher

¹ Not all horizontal mechanisms are voluntary in nature, however. Horizontal accountability can be both voluntary or mandatory.

2002; Verschuere et al. 2006; Schillemans 2011; Koop 2014), reportedly relying on mechanisms such as: self-initiated notice and comment procedures in the absence of/beyond statutory responsibilities, client satisfaction surveys, ombudsmen, external committee evaluations etc. Possible rationale that have been advanced for this phenomenon range from attempts at pre-empting stricter mandatory provisions, logic of appropriateness motives (Koop 2014) to the need to compensate for the inadequacy of traditional arrangements (e.g. ministerial responsibility), in the disaggregate context brought on by public management reforms (Haque 2000; Bovens 2005; Schillemans 2011). More recently, reputational and legitimacy considerations have been advanced as an important potential driver behind these counter-intuitive accountability patterns (see Busuioc and Lodge 2016; 2017).

While qualified as a 'persistent' phenomenon (Reiss 2011, 647), existing studies also report considerable organisational variation in the adoption of voluntary accountability, the array as well as the type of forms adopted. For instance, whereas some forms adopted by agencies are restricted to information provision and debating, others contain sanctioning elements. While at the national level voluntary forms of accountability appear to be primarily of the *horizontal* type, at the EU level also the adoption of voluntary *vertical* mechanisms (towards political actors) is reported (Jabko 2003; Busuioc 2013). Voluntary accountability mechanisms are initiated *upwards*, towards new or existing 'principals', for instance, towards the European Parliament, in the form of parliamentary hearings (Jabko 2003; Busuioc 2013). While some of these procedures reportedly start of as ad hoc *practices*, they also tend to become institutionalised into formal *mechanisms* over time.

Project Aim:

This project will investigate in a comparative fashion— by studying the voluntary accountability practices of a variety of agencies in different jurisdictions, both national and the EU level— the following research question: *what drives agencies' propensity to engage in more extensive practices and/or to initiate more far-reaching mechanisms of accountability than those mandated by law?* In other words, what are the drivers of voluntary accountability? The project also explicitly sets out to verify to which extent reputational² considerations (see Busuioc and Lodge 2016; 2017) act as drivers for this behaviour.

The drivers of voluntary accountability have not been empirically elucidated. Most studies are single country cases. While they tend to map the rise of the phenomenon and describe variations in organisational adoption within one jurisdiction and/or hypothesise about potential drivers, they do not actually empirically study, and elucidate, the organisational motivations

² See more broadly, Carpenter and Krause 2012.

behind these developments. Existing studies also do not afford cross-country and/or cross-sectoral comparisons in terms of motivating logics driving this phenomenon or explain observed variation in the type of mechanisms of accountability adopted.

The project aims to remedy this research gap. The overall goal will be to identify the underlying drivers behind this counter-intuitive development and to explain the observed organisational variation in this respect. The project is comparative, cross-national –with a specific focus on a selected number of (EU-level and several national) jurisdictions—to be determined as part of the project’s research design.

The project is embedded in a broader group of PhD and postdoc projects that are being undertaken as part of the ERC program “Reputation Matters in the Regulatory State” (EU_RICA).

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