

WHEN ACCOUNTABILITY FAILS:

# A Framework for Diagnosis and Action



BY **MARK SCHACTER**

**RÉSUMÉ** ► Cet article décrit un cadre d'analyse simple destiné à faire mieux comprendre les relations entre les organismes publics de responsabilisation et les agences gouvernementales, à diagnostiquer les problèmes de responsabilisation dans le contexte du secteur public et à élaborer des stratégies pratiques de résolution des problèmes de responsabilisation. (Traduction : [www.isuma.net](http://www.isuma.net))

**ABSTRACT** ► The paper describes a simple analytical framework that is intended to help understand relationships between public institutions of accountability and government agencies, diagnose accountability problems in a public sector context and develop practical strategies for solving accountability problems.

ILLUSTRATION: DANIEL SYLVESTRE

*In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed; and in the next place oblige it to control itself.<sup>1</sup>*

### Power and accountability

“Power, and the need to control it, define the basic bargain between those who govern and those who are governed.”<sup>2</sup> Citizens grant sweeping powers to the political executive: to tax, to spend and to make and enforce policies and laws. In return, citizens demand accountability. They expect the government to explain and justify publicly the way it uses its power, and to take prompt corrective action when things go wrong. Accountability, viewed in this way, serves two purposes. Its political purpose is to check the might of the political executive — it is a mechanism for minimizing abuse of power. Its operational purpose is to help ensure that governments operate effectively and efficiently.

### Institutions of accountability

Formal attributes of democratic government — universal suffrage and multi-party elections — are necessary but not sufficient to ensure healthy accountability between citizens and government. This is demonstrated in many young democracies of the developing world, which remain “haunted by old demons that they had hoped to exorcise with democratic rule: violations of human rights, corruption, clientelism, patrimonialism, and the arbitrary exercise of power.”<sup>3</sup>

Direct accountability to citizens via the ballot box must be accompanied by the State’s willingness to restrain itself by creating and sustaining independent public institutions empowered to oversee its actions, demand explanations, and, when circumstances warrant, impose penalties on the government for improper or illegal activity.

### Horizontal versus vertical accountability

In a well functioning State, therefore, the government is subjected to accountability that is both *imposed upon it* from outside by citizens, and accountability that it imposes *upon itself* through public institutions empowered to restrain the political executive. Theorists refer to this important distinction as “vertical” accountability (by the State to citizens) versus “horizontal” accountability (by the State to its own public institutions of accountability).<sup>4</sup>

Vertical accountability may include citizens acting through the electoral process or indirectly via civic organizations (“civil society”) or the news media. Horizontal accountability, which covers the range of public entities created by the State to check its own abuses and inefficiencies, may be exercised by:

- the judiciary;
- the legislature;<sup>5</sup>
- auditors general;
- anti-corruption bodies;
- electoral and human-rights commissions;
- ombudsmen, public-complaints commissions, privacy commissions, etc.

Governments cannot always be relied upon to respect rules and institutions that constrain their own ability to act. They

[...] understand that institutions of [horizontal] accountability limit their freedom of action and ... contain the potential to bring them into painful and embarrassing situations. So why should they be interested in establishing them?<sup>6</sup>

Governments are more likely to bind themselves through institutions of horizontal accountability under circumstances where citizens will punish them for failing to do so. Horizontal accountability must therefore be buttressed by strong vertical accountability. The effective operation of vertical accountability, through the electoral process, the news media and concerted civic action, causes governments to take seriously the perils of failing to sustain horizontal accountability.<sup>7</sup> This paper focuses on institutions of horizontal accountability which, because of their formal public authority, are looked upon to play the dominant role in restraining executive power.<sup>8</sup>

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### When accountability fails...

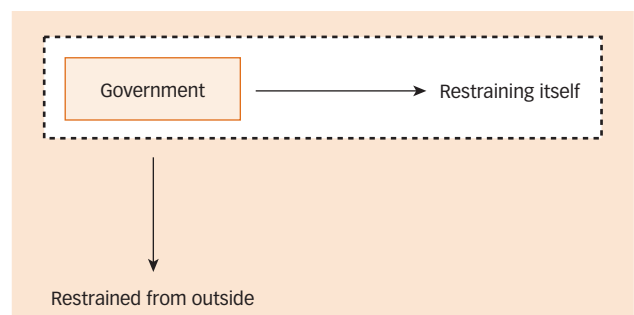
When accountability fails — when the state breaks its bargain with citizens — many things can go wrong. Public funds may be misappropriated or stolen, public officials may routinely demand bribes, public contracts and public posts may be unfairly awarded, public services may be delivered poorly or not at all.

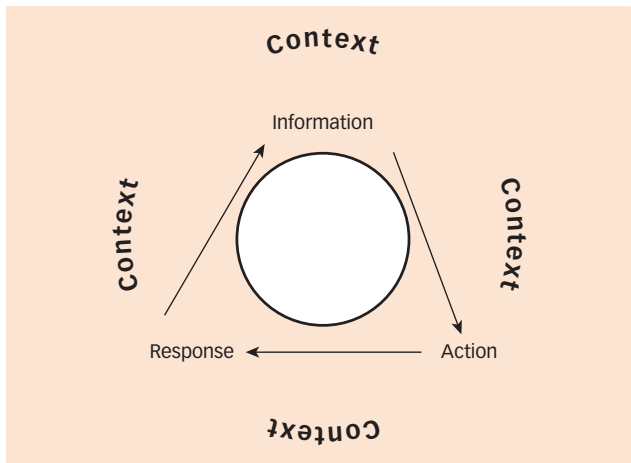
Because the consequences of failed accountability can be dire, it is important to understand how accountability can fail, which in turn determines what may be done to fix it. In introducing the simple model of the “accountability cycle,” we suggest that there are at least three distinct ways — determined by three distinct points in the accountability cycle — in which accountability can fail; and that each mode of failure has distinct implications for strategies to set things right. The model is a caution against a “one-size-fits-all” approach to accountability. Intervention strategies that are appropriate for one mode of failure may be misguided in relation to the other two.

### The “Accountability Cycle”

At the core of the analytical model is an accountability cycle set within contextual factors.

The accountability cycle models the internal logic of the relationship between an institution of accountability (IA)





and a unit of the executive branch of government.<sup>9</sup> The cycle has three stages: **information**, **action** and **response**.

**Stage 1 — Information:** Information is the critical input into the IA. An IA’s effectiveness in holding a government agency accountable depends, before anything else, on the degree to which it can obtain—either directly from the government or indirectly from other sources—relevant, accurate, and timely information about the activities of the executive.<sup>10</sup>

**Stage 2 — Action:** Based upon the information it is able to obtain, the IA must then act. It should produce demands upon the political executive to explain and justify its actions. Developments at this stage of the cycle depend upon the capacity and willingness of the IA, first, to evaluate and analyze information, and, second, to use its analysis as a basis for making demands on the executive for explanation and justification of its actions.

**Stage 3 — Response:** The IA’s effectiveness is determined, ultimately, by the appropriateness and timeliness of the reaction it is capable of eliciting from the executive. Developments at this stage depend upon the degree to which the executive feels compelled to respond to the IA.

The accountability cycle provides a simple template for understanding and evaluating the performance of any IA on the basis of three broad questions.

- What information can the IA obtain about the government’s activities; how relevant, accurate, timely and comprehensive is the information?
- How well is the IA able to analyze the information, and develop action-oriented conclusions?
- What kind of response is the IA able to generate from the executive?

Viewing IAs through the accountability cycle framework may help establish an order of priority for addressing accountability problems. The model suggests a rough rule-of-thumb: address problems at the information stage before tackling the action stage, and address problems at the action stage before tackling the response stage.

- First, focus on the primary binding constraint: the flow of information between the government and a given IA. No meaningful accountability is possible without a minimum quantity and quality of information being available to an IA. Analyze and address questions related to the quantity, quality, timeliness and relevance of information available to the IA.
- Second, assuming the information hurdle can be overcome, address the IA’s capacity to gather and analyze information, to transform its analysis into coherent demands upon the government, and to communicate effectively with government.
- Third, assuming the IA has adequate capacity to place demands upon the government, consider whether the IA has sufficient power or influence to elicit a meaningful response from the executive. Attempt to understand the nature of the relationship between the IA and the executive.

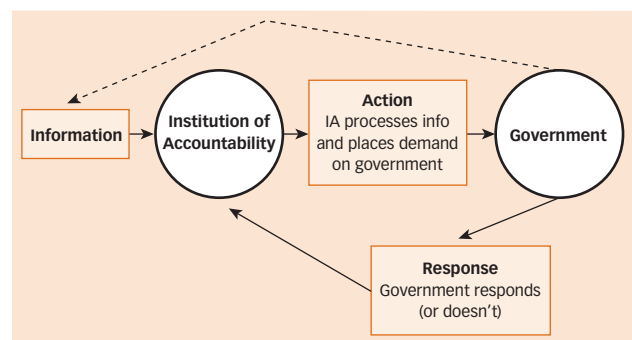
**Contextual factors**

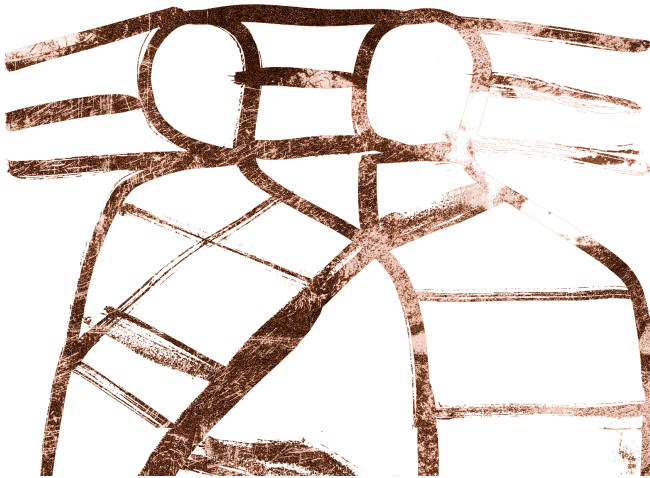
The accountability cycle does not operate in a vacuum. The model provides a starting point for diagnosis, but to understand the roots and implications of the diagnosis, it is necessary to look beyond the inner workings of the IA-government relationship.<sup>11</sup> At every stage of the accountability cycle, an IA’s capacity to interact with the executive is affected by social, political and economic forces that are outside the IA’s control. These contextual factors help explain why an IA functions or fails to function, and provide guideposts to effective remedial strategies.

The attitude of political and bureaucratic leaders toward accountability is a crucial contextual factor. Insufficient high-level commitment to robust public-sector accountability critically constrains the effective functioning of IAs because horizontal accountability, by its very nature, cannot happen unless the government allows it. “There is no way to ignore or bypass the centers of state power. Unless they consent to institutionalize ‘self-restraint,’ the road to horizontal accountability is blocked.”<sup>12</sup>

The role played by civil society in pressuring the government for accountability is another key contextual factor, and one that highlights the link between horizontal and vertical accountability noted above. The degree to which

**There is a rising sense of urgency concerning weak public accountability in Canada’s First Nations.**





civil society can articulate and mobilize demand for accountable government is likely to have an important impact on strengthening the position of IAs with respect to the political executive.<sup>13</sup>

#### Practical implications

Public-sector accountability problems— together with their causes and impacts—are numerous and diverse. They affect public agencies in all countries, but carry special urgency in the developing world where accountability between government and citizens is often critically weak. The analytical framework presented here was therefore conceived with development assistance agencies (such as the World Bank) in mind. Nevertheless, we believe that the framework is broadly applicable to the relationship between citizens and any government agency, anywhere.

The accountability cycle model may help development agencies and their country partners analyze and prioritize problems concerning IAs. The framework is meant to provide a basis for designing and implementing strategies to strengthen accountability as a countervailing force to inefficiency, waste, corruption and other ills that afflict the public sector when accountability to citizens is weak.

It may also be of use in the developed world. In Canada, for example, it may be applicable to the effective functioning of accountability institutions such as the Auditor General, Parliament, the Privacy Commission, provincial ombudsmen, etc. The framework may have immediate relevance in Canada to the need for strong Aboriginal governance. There is a rising sense of urgency concerning weak public accountability in Canada's First Nations—a problem linked to ineffective institutions of accountability.<sup>14</sup>

This paper has described a step-by-step approach to addressing accountability problems that follows the three stages of the accountability cycle. As a practical matter, efforts to build capacity in IAs may end up spilling simultaneously across all three of the cycle— information, action and response. But given the need to concentrate scarce resources where they are likely to have the greatest effect, it is useful to have an analytical basis for focusing efforts on strengthening IAs in one of the three areas. The accountability cycle offers a basis for making the necessary choices.

This is relevant to development assistance agencies, which have shown a tendency to focus accountability interventions on building the capacity of IAs. In other words, they have targeted the action stage of the accountability cycle by providing training, equipment and technical assistance to IAs and their personnel. Such interventions have their place, to be sure. But if they are undertaken without reference to the other two points of the accountability cycle— information and response—then their results will surely be disappointing. Capacity-building in an IA will have limited effect if, as is the case in many young democracies, the IA remains starved of information and/or is faced with a government that feels little or no compulsion to respond.

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#### Endnotes

1. C. Rossiter, ed., *The Federalist Papers* (New York: New American Library, 1961). The quotation is from *Federalist Paper No. 51*, published in 1988.
2. A. Schedler, "Conceptualizing Accountability," in A. Schedler, L. Diamond and M.F. Plattner, eds., *The Self-Restraining State: Power and Accountability in New Democracies* (Boulder and London: Lynne Rienner Publishers, 1999).
3. *Ibid.*, p. 1.
4. G. O'Donnell, "Horizontal Accountability in New Democracies," in Schedler et. al, eds., op. cit., note 2; L. Diamond, "Institutions of Accountability," *Hoover Digest*, No. 3 (1999).
5. Being both a State institution and a channel for the expression of citizens' concerns, the legislature has characteristics of an institution of vertical as well as horizontal accountability. (Author's conversation with Larry Diamond).
6. A. Schedler, "Restraining the State: Conflicts and Agents of Accountability," in Schedler et. al, eds., op. cit., note 2.
7. *Ibid.*, p. 334.
8. World Bank, *The State in a Changing World. World Development Report 1997* (New York: Oxford University Press, 1997), p. 99.
9. See P.G. Thomas, "The Changing Nature of Accountability," in B.G. Peters and D.J. Savoie, eds., *Taking Stock: Assessing Public Sector Reforms* (Ottawa: Canadian Centre for Management Development, 1998), p. 353. See also Schedler, "Conceptualizing Accountability," op.cit., note 2, p. 15.
10. K.M. Dye and R. Stapenhurst, *Pillars of Integrity: The Importance of Supreme Audit Institutions in Curbing Corruption* (Washington: Economic Development Institute of the World Bank, 1998). G. Caiden, "Dealing with Administrative Corruption," in T. Cooper, ed., *Handbook of Administrative Ethics*, (New York: Marcel Dekker, 1993).
11. Dye and Stapenhurst, op. cit., note 10.
12. Schedler, op.cit., note 2, p. 339. See also M. Schacter, "Lessons from Experience in Supporting Sound Governance," ECD Working Paper Series No. 7 (Washington: World Bank Operations Evaluation Dept., 2000).
13. J. Tandler, *Good Government in the Tropics* (Baltimore and London: The Johns Hopkins University Press, 1997); World Bank, *Assessing Aid. What Works, What Doesn't, and Why* (New York: Oxford University Press, 1998).
14. J. Graham, "Getting the Incentives Right: Improving Financial Management of Canada's First Nations," IOG Policy Brief No. 8 (Ottawa: Institute On Governance, 2000).