

Transparency of local public decision-making: towards trust or demystification of government?

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Abstract

Online available minutes of the local council offer the opportunity to look behind the scenes of local government decision-making. But will this transparency, as promised, lead to higher levels of trust or will people get disenchanted by the incrementalism and ‘muddling through’ of the council?

156 people participated in an experiment to examine this question. These participants were randomly assigned to three groups and were given varying amounts of information about council minutes on a municipal website. The minutes were concerned with public decision-making about a policy plan to combat air pollution.

Results indicate that people who used transparency, are significantly more negative regarding perceived competence of the council. Comparing a low and a high level of transparency shows that when people use transparency, the relationship is mediated by the credibility of the information. Also, knowledge about the decision-making process appears to cause a shift in judgment criteria. People with much knowledge are inclined to base their judgment of perceived competence on this knowledge and less on information credibility. Giving information about the decision-making process is seen as a *condition sine qua non* with regard to perceived honesty as this remains unaffected. Hence, people expect the local council to be transparent, but in the end there seems to be a gap between public expectations of rational decision-making whilst the reality that transparency discloses is much more chaotic and reveals public decision-making as ‘muddling through’.

1. Introduction

Transparency of public decision-making of local councils is one of the longest established forms of transparency. Minutes of local councils are nearly literal transcriptions of meetings in which councilors deliberate on decisions or in which they actually take decisions. In this sense local council minutes give a unique look behind the scenes of local government. But what happens to trust in government when citizens take this opportunity and actually look backstage local government? Will this lead to demystification of the council as people become disappointed with the ‘muddling through’ of public decision-making or will their new experience with local government make citizens trust them?

This is a relevant question as municipalities are the most contacted government organization on the Internet and are the government organization closest to citizens (cf. Pina et al., 2007; Van Dijk et al., 2008). Further, local councils are seen as important as they are the public bodies that are formally in charge of their respective municipality, in the Netherlands.^{1 2}

Whether transparency of government will lead to higher levels of trust or not, is discussed heavily throughout the literature. A widely shared opinion exists that transparency will lead to an open culture in government that benefits us all (Hood, 2006). It is ultimately seen as ‘something good’ which will eventually increase citizen trust in government (Brin, 1998; Oliver, 2004). On the other hand, scholars argue that a greater degree of transparency generates the possibility to (unjustly) blame the government time and time again. Bovens (2003) warns about this ‘dark side of transparency’: when people can see everything behind the scenes of government this could lead to demystification of government. A fault by government can always be construed and if citizens, media and politicians use transparency for their own gain with no restraints, this could result in ‘politics of scandal’. As a result, transparency could contribute to political cynicism and citizen trust in government might even decline.

The decline of trust in government is a cause for concern in recent years in the Netherlands and for decades in the US (Tolbert & Mossberger, 2006; Nye, 2007). Transparency is often proposed as a panacea for better governance in general and for combating declining trust levels in particular (Norris, 2001: 113; Hood & Heald, 2006). Increasing government

¹ Article 125, section 1. The Constitution of the Kingdom of the Netherlands.

² The executive administration consists of a mayor and several aldermen, which are controlled and partly directed by the local council in a municipality.

transparency even has been one the major aims of reforms initiated in nearly all OECD-countries (Pollitt & Bouckaert, 2004).

Nonetheless, the effect of transparency on trust remains disputed and although some studies have been carried out, the amount of empirical research on this topic remains limited (Tolbert & Mossberger, 2006). If there is research on this relationship, causal mechanisms can only be assumed. Therefore, this study aims to contribute empirically to the debate on the connection between transparency and trust. So, the intriguing question remains whether citizen trust in government will increase or decrease if they can actually look ‘backstage’ public decision-making of in this case the local council. This leads to the following central question:

Does transparency of public decision-making affect citizen trust in the council?

This question will be examined by using an experimental design. Three groups of people encountered different levels of transparency, ranging from much to no transparency about public decision-making. Next, the degree of trust in government of these three different groups is compared: a high level of transparency revealing full information about the public decision-making, a low level of transparency revealing limited information, and to a group that did not use transparency at all.

An experimental design allows making causal inferences about the transparency and trust relationship. Firstly, it is tested whether transparency has any overall effects comparing high and low levels of transparency to people who did not use it all. Secondly, this paper assesses if transparency is used, *through what mechanism* a high or low level of transparency contributes to trust. In doing so, the role of mediating variables (information credibility) and moderating variables (knowledge) will be measured. An important assumption is that this study examines the effect of transparency apart from its accessibility and actual extent of use in reality. Experimenting in PA-science is rather uncommon and this topic and therefore will be elaborated on in the next section.

2. Experimenting in Public Administration Science

In public administration science, experiments are scarce and therefore the use of it deserves some justification and explanation. Experiments in PA-science could be a kind of its own, not as controlled and abstracted from reality as psychological experiments, but also not as concrete and generalizable as mainstream PA-science.

Mainstream public administration science aims to study its units of analysis – being individuals, organizations, countries, policies – as they ‘act’ in reality. Most often used methods in achieving this goal, are case studies to uncover unexplored causal mechanisms and surveys to examine relationships or to assess the extent of occurrence of a phenomenon. Generally they aim at maximizing *external validity*, or approaching ‘how things work in reality’ as closely as possible.

On the other hand, social psychologists mainly use highly controlled experiments in order to maximize the *internal validity* of their research. By keeping all factors constant (also variables such as temperature, light) except but one or two stimuli, they try to assess causality. External validity is less important, as the concepts and their mechanism are extrapolated to the ‘real world’. For example, psychologists are interested in the effect information has on the attitude of people towards government, not on the average absolute level of trust of all citizens. In order to assess this mechanism it is according to most social psychologists, perfectly legitimate to only use students in a sample.

Furthermore, social psychologists do not aim to exactly mirror reality in their experiments; they merely use abstract concepts which are applied analogous to reality. A famous example is the Milgram experiment from 1961, in which the obedience to authority was investigated in a simple experiment in order to explain how many ordinary civil servants and citizens could have accepted the Holocaust. The concepts abstracted from the reality were obedience and authority and were applied in a laboratory setting in which people had to give electric shocks to a person they could only hear. These abstracted concepts were consequently applied outside this laboratory setting in order to explain obedience and authority in the ‘real world’, i.e. in the Holocaust.

This experiment in public administration is positioned in between these two extremes of internal versus external validity. On the one hand reality is approached by using a real local government website as point of departure. The concept of transparency is designed to look ‘real’. In addition, the sample not only contains students, but also a group of various individuals with different traits of character (see Section 7.3 ‘Sample’). Not all circumstances could be controlled; however several control variables were identified and incorporated in the post-test questionnaire.

Experiments adapted to the research field of PA-science could be of use as a different method adjacent to case studies, surveys and other ‘conventional’ methods. The use of this method in this paper will try to prove the worth of this kind of experiment.

3 Trust and transparency

3.1 Three dimensions of perceived trustworthiness

Trust is a multidisciplinary concept which has led to a plurality of approaches and definitions. Because of this pluralism Rousseau et al (1998) tried to formulate an overarching definition of trust. Confident expectations and a willingness to be vulnerable (Mayer et al., 1995) are critical components of all definitions. Based on these elements Rousseau et al define trust as ‘*a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behavior of another.*’ (Rousseau et al, 1998: 395)

This means that trust is viewed as the perceived trustworthiness of another, this concept is acknowledged by many scholars to be multidimensional (McKnight & Chervany, 2006; Mishra, 1996; Mayer et al., 1995; Rousseau et al., 1998). In this paper three dimensions of perceived trustworthiness are distinguished: benevolence, competence and honesty.

Firstly, many authors on trust find some form of *competence* to be a part of trustworthiness. Some call it ability (Jarvenpaa et al, 1998), effectiveness (Hetherington, 1998) or expertise (Peters et al, 1997). Yet the differences in meaning are small as they all refer to some kind of capability to act. With regard to local councils this means whether people perceive this government organization to be capable, effective, skilful or professional in making decisions.

Secondly, many scholars regard *benevolence* to be a part of trustworthiness. It expresses some kind of interest of the one that is trusted in others than itself. This can be viewed as an ethical dimension of trustworthiness; it particularly focuses on the *intention* of government action. Some authors call this dimension care (Peters et al, 1997), commitment (Levi & Stoker, 1998) or concern Mishra (1996). For example, do people think that a local council genuinely cares about the citizens living in their municipality. A third dimension often reported by scholars is *honesty* or integrity of the trustee. Perceived honesty implies that the local council is perceived to keep commitments and telling the truth (McKnight et al., 2002; Kim, 2005).

3.2 Transparency: watching government from the outside

One element nearly all transparency definitions have in common is that transparency refers to the extent to which an organization reveals relevant information about and decision processes,

procedures, functioning and performance (Wong & Welch, 2004; Curtin & Meijer, 2006; Gerring & Thacker, 2004). This is comprised by the following perspective and components:

- An inward perspective: one can monitor an institution from ‘the outside’.
- A component about the active disclosure of information by government organizations.
- Allowing external actors to assess its internal workings or performance.

This leads to the following definition for transparency, which will be used in this paper:

Transparency is the active disclosure of information by an organization allowing external actors to monitor the internal workings or performance of a government organization.

In addition, this paper aims to investigate transparency mediated by the Internet. ICTs and the Internet in particular, greatly facilitate disclosure of government information to the public as information can be disclosed at relatively low costs without traditional boundaries of space and time (Curtin & Meijer, 2006; Welch et al., 2005).

In addition, local government websites are most frequently used compared to websites of other branches of government. Hence, if people make use of government websites, they mostly visit *local* government websites (Van Dijk et al., 2008). Local council minutes can often be found on these local government websites, as council meeting are openly accessible to everyone anyway. With the emergence of the Internet, these reports have increasingly become available on the Internet. This allows external actors - citizens, journalists or organizations - to monitor the functioning of the local council.

4 Two perspectives on public decision-making

This paper is concerned with transparency of public decision-making. This section will explore two existing perspectives on (public) decision-making: the rational perspective, and the perspective of bounded rationality.

The traditional view on public decision-making is that of a rational process. First all values are listed, for example optimizing public health, a prospering economy, no traffic jams. Next, policy outcome should be rated as being more or less efficient in attaining these values. Thirdly, the values should be weighed against each other based on calculations. The next step would be listing all possible policy alternatives and their hypothesized effects, relying heavily on (scientific) policy theories. Finally, based on this a choice is made which would maximize the selected values. Examples of advocates of this rational approach of policy and public

decision-making are Hoogerwerf (1990) and Vedung (2000). This perspective assumes a rational and calculative individual, an assumption borrowed from rational choice theories (e.g. Homans, 1961; Blau, 1964; cited in: Scott, 2000). However, this perspective ignores the *political process* of public decision-making and the *bounded rationality* of individuals.

Ideas of limited rationality are old and emphasize that individuals and groups simplify decision-making problems, because of the difficulty of considering all alternatives and information (March, 1978; Lindblom, 1959). Because decision-makers lack the ability and resources to get to the optimal solution, they apply their 'rationality' after having greatly simplified the choices available. Therefore decision-makers are aspiring satisfactory solutions, not necessarily optimal solutions (Simon, 1957). The task of rational decision making is to select the alternative that results in the preferred set of all the possible consequences. Alternatively, decision-making is characterized as incremental and 'muddling through' (Lindblom, 1959). Decisions are by no means completely rational as administrators or council members do not have full information.

Moreover, Stone (2001) argues that 'facts' in decision-making are not objective as they are strategic representations of the interests of stakeholders in the public decision-making process. In addition, public decision-making is irrational and incremental, but is presented to the public as if it is rational and the model of rational choice is being obtained. The latter could have profound consequences on how the public perceives local government, if they take a look 'behind the scenes'. The image of the local council as a rational decision-making organization may be violated and this might negatively influence perceived trustworthiness.

5 Using transparency: The role of information credibility and knowledge

When using transparency, two variables in the transparency and trust relationship become important according to existing literature: information or message credibility and specific knowledge about the council.

5.1 Information credibility

Roosenbloom (2000) addresses a relevant question regarding trust in online interactions, as is the case with the relationship between Internet transparency and trust. According to him, 'online interactions represent a complex blend of human actors and technology.' (2000: 2). What or whom do people trust? For example, do people engage in a trusting relationship with

the system, website designers, online organizations? To determine perceived credibility of web-based information, Flanagin and Metzger (2007) distinguish message credibility, site credibility and sponsor credibility. *Message credibility* is dependent on aspects of the message itself, e.g., information quality and accuracy. *Site credibility* refers to the site features such as the visuals or amount of information used on the website. *Sponsor credibility* depends on perceptions of the website sponsor, in our case the government organization. For the purpose of this study the distinction between message and sponsor credibility is especially relevant, since it is the credibility of the message that is manipulated in order to assess the effect on sponsor credibility. Hence, if citizens use transparency, it is equally important to assess the credibility of the information (the ‘message’) itself. There is a difference between trust people have in the information and trust in the actual government organization. That is, if a person visits a government website, does one find the information credible, and does this affect trust in the actual government organization. The latter is the dependent variable in this study, but trust in information is directly observable by people as they read the information on the website. Visitors try to form a perception of the trustworthiness of a government organization based on the information they read. Hence the causal mechanism between transparency and trust runs *through* the credibility of the information on the website.

5.2 Knowledge

Transparency might lead to more knowledge of citizens and thus influence its the level of trust that is placed in the individual organization. Bigley & Pearce (1998: 411) state that “...*as people become more acquainted with specific others, their personal knowledge of those others becomes the primary driver of their thoughts and actions.*”

On the other hand, if no more specific situational information is available, one will rely on one’s basic beliefs about human nature (Wrightsmann, 1991; Stipak, 1979). Knowledge about a government organization might play a moderating role in the effect of transparency on trust. It is expected that transparency leads to more knowledge about the government agency, but whether more knowledge about a government agency automatically leads to more trust remains to be seen. According to Mondak et al. (2007), knowledge leads to more specific judgment criteria of citizens about the object of which they have specific knowledge. For example, by having access to information about public decision-making, people will judge the organization based on their knowledge of this process, rather than basing their opinion on a general perception of for example government on the national level.

6 Model and hypotheses

Firstly, three hypotheses are proposed about the overall effect of transparency. This will be tested by comparing the no transparency group with two groups who did use transparency.

Secondly, we will test a model which tries to explain *how* transparency affects trust, *if it is used*.

On of the perspectives in section 3, assumes that although decision-making is presented to the public as a rational process, the actual process is much more political and incremental (Stone, 2001; cf. Lindblom, 1959). Therefore it is expected that giving information about the decision-making process will expose this difficult incremental process, negatively affecting perceived competence of a government organization.

H1: Transparency negatively affects perceived competence of a local council.

Although transparency of a decision-making process is expected to negatively affect the perceived competence of a government organization, the contrary might be true for perceived honesty. Giving full information indicates that there is nothing to hide hence improving perceived honesty.

H2: A high level of transparency positively affects perceived honesty of a local council.

The third dimension of perceived trustworthiness, perceived benevolence, is thought not to be affected in any particular way. Disclosing information about a decision-making process is only loosely connected to the intentions of a government organization. Since benevolence concerns the intentions of a government organization – i.e. is it willing to act in the interest of its citizens – no effect of transparency is expected.

H3: Transparency does not affect perceived benevolence of a local council.

Now the theoretical mechanism through which transparency affects trust will be outlined, *if* transparency is used. It is expected that both knowledge and trust in the information itself ('information credibility') influence this relationship. Knowledge presumably moderates this relationship as it alter the judgment criteria of people, while information credibility is thought to mediate between transparency and trust.

The role of knowledge and information credibility is summarized in the following research model (Figure 1).

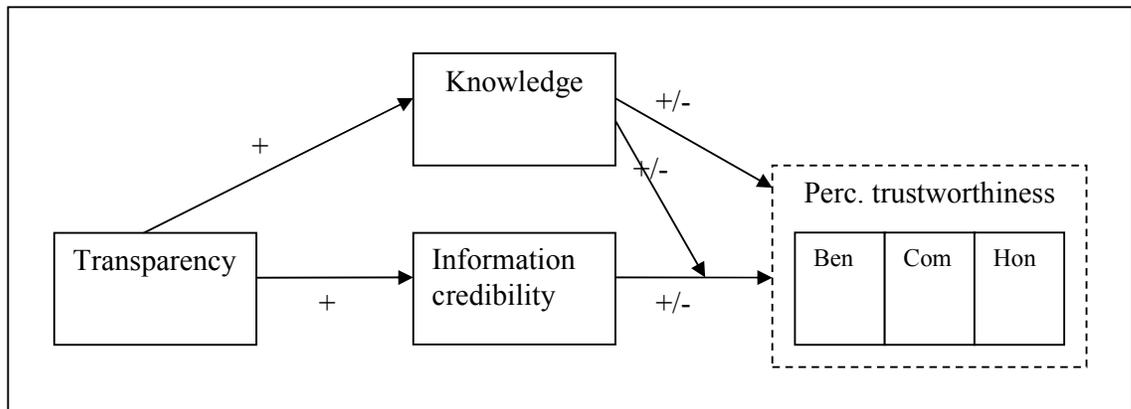


Figure 1: research model

7. Method

7.1 The case of local air pollution

The topic of decision-making that this paper will focus on in particular is local air pollution. Air pollution is of special interest as it affects several public interests: affecting public health, environment and economic interests. This study focuses on the decision-making on a air quality policy plan containing measures to combat air pollution in a large Dutch municipality. For example, should local government impose traffic restrictions in order to improve air quality? Or should they build more roads to improve the traffic flows in the city?

Hence, the public decision-making on air pollution can seriously impact citizen lives, not only where buildings and roads are constructed, but also their very own health. Also, it is a topic that is widely debated locally, although most citizens are not very knowledgeable about air pollution.

By selecting a specific government organization in stead of trust in government in general, the relationship between transparency *of* this government organization and trust *in* this government organization is isolated from exogenous factors that might play a prominent role concerning trust in government in general (cf. Bovens & Wille, 2008; Nye, 1997). Therefore, a purer effect of transparency is measured and moreover, it is more likely that transparency of a government organization actually influences trust *in this* particular organization.

7.2 Design

The central question implies the existence of a causal effect of a condition (transparency) on trust in government agencies. To examine this, this study used an independent 1x3

experimental design. The three groups varied on the degree of transparency, which was operationalized as the amount of information given about the public decision-making process (see Section 7.5). The dependent variables were the three dimensions of perceived trustworthiness: perceived benevolence, perceived competence and perceived honesty.

7.3 Sample

The sample consisted of a total of 156 respondents. The sample was collected by letting first and second-year college students participate (N=81). Also a groups of post-academic students participated in the experiment (N=18). Another group of 57 participants were randomly approached visitors of the Population Affairs Department of the municipality of Utrecht. The latter group of participants was enticed to participate in the experiment by offering them a voucher. The design and group distribution is displayed in Table 1.

Table 1: sample composition

	Stimulus	Measurement	% male	Av. age	% high educated	% religious	Pol. Pref (% l.w.)
No transparency N = 43		O ₀	38.6	25.6	18.2	50	50.0
Low level tr. N = 57	X ₁	O ₁	43.9	32.6	40.4	46.4	50.9
High level tr. N = 55	X ₂	O ₂	50.9	29.9	38.2	45.5	41.8
<i>Total</i>			<i>44.9</i>	<i>29.7</i>	<i>33.3</i>	<i>47.1</i>	<i>47.3</i>

The variables mentioned in table 1 are variables that might influence trust in a specific government organization and hence distort the relationship between transparency and trust. Also, some variables are not equally distributed among groups. To avoid distortions these variables are first checked for significant effects on the dependent variables and if necessary they will be controlled by incorporating them as covariates in the analysis.

7.4 Materials and procedure

A total of three groups were distinguished in the experiment. Every participant was randomly assigned to one of the groups by a link to a website available on the Internet³ on their written instruction form. Group 1 was assigned to fill out a questionnaire without visiting a government website (i.e., not using available transparency). The low-level transparency group

³ For the 'no transparency group' there was no link at all

(group 2) and the high-level transparency group (group 3) were assigned to visit the organization's website with council's minutes. However, the website visited by group 2 was adapted for the sake of the experiment. The adjusted website visited by the low-transparency group showed much less information than the real, high-transparency website visited by group 3. This group visited the actual website of the government organization and was given full information about the decision making process, i.e. the full council minutes about the decision.

Hence, two different websites were used in this research: one highly transparent website containing full information about municipal decision-making and another website adjusted for the purpose of this study, only containing little information. Both websites contained a short explanation about how decisions in the municipal council are taken and a part of a council minute about decision-making on a policy plan to reduce air pollution in the city.

The case of council minutes on decision-making regarding local air pollution was selected in this experiment, to ensure participants had some relationship with the government organization in question, just as they would in a 'real' situation. Air pollution in cities touches on public health; transparency on a subject like this is more likely to have an effect on trust than purely technical policy issues.

Before the experiment started, all participants were instructed orally about what they could expect. A story was set up to distract people from the real goal of this study, which is investigating the effect of transparency on the amount of trust. They were told they were participating in a study that investigated the user friendliness of government websites. Also, participants were told that they first had to follow a written instruction and then fill out a questionnaire.

The written instruction stated exactly what participants had to read: they were not allowed to browse freely among the website. We wanted to make sure everyone within each group of transparency users read the same sections of the website during their visit, to increase comparability these groups. On the written instruction, people had to fill in 4 of questions about the comprehensibility of what they read in order to ensure they read the particular sections on the website. After they completed the instruction (and hence read the website) people were instructed to close their web browser. Next, they had to fill out a questionnaire on paper. After completing this questionnaire people were debriefed, i.e., the real goal of this study was revealed to the participants.

7.5 Measures

As described in section 2, three dimensions of perceived trustworthiness were distinguished and thus were separately measured. Participants were asked specifically about the perceived benevolence, competence, and honesty of the government organization with regard to the topic of the information (air quality policy).

All dimensions were measured on a five-point scale and are derived following past research (McKnight et al, 2002). Benevolence was measured by the extent to which the government organization was perceived to be doing their best to help citizens (1), to be acting in the interest of citizens (2) and to be sincerely interested in the well-being of citizens (3). The Cronbach's alpha for this dimension was 0.77. Competence was measured by the extent to which the government organization was perceived to be capable, effective, skilful and professional (Cronbach's alpha = 0.86). Honesty was measured by perceived sincerity, perceived honesty and the extent to which the government organization was thought to keep its commitments (Cronbach's alpha = 0.83).

In addition, after the experiment people were asked in the questionnaire to assess their level of knowledge about air quality policy in the municipality. On five-point scale (1=very little knowledge, 5=very much knowledge) they assessed their own knowledge about the air quality policy plan, the council minutes regarding the realization of the air quality policy and their insight in the decision-making regarding the municipal air quality policy (Cronbach's alpha = 0.82).

Information credibility was measured by asking the participant's perception about the extent to which they perceived the information they read to be complete and accurate. Cronbach's alpha for this measure was 0.77.

Transparency about the municipal council's decision-making was operationalized with regard to the extent of information that was revealed. The decision-making process consists of several contributions of people within the council. The limited transparency group was only shown the first two lines of five paragraphs of several political parties which people had to read. Participants in the full transparency group were shown the full contribution. An example of a phrase of a high level/full transparency⁴:

⁴ Translated from original Dutch text, some parts are left out to make it less lengthy. Formulation of sentences is kept as close to the original as possible, also regarding sentences that are a bit twisted in the original. The examples still give a good idea of what this particular type of transparency looks like.

- **Mrs. [name]** argues that the Air Quality Action Plan indicates that the municipality wants improve air quality. On several points this must be made more realistic. What is the status of this document? Will this lead to a decision regarding the realisation of the plans or will they be developed within the projects? [...]

The ambition of the plan is disappointing in some aspects, for example regarding the fleet of cars. Concerning the environment, natural gas for our party is not the best option, why was not thought of hybrid energy. The same applies to buses, why was not thought of alternative energy sources.

Example of limited/low level of transparency:

- **Mrs. [name]** argues that the Air Quality Action Plan indicates that the municipality wants improve air quality. On several points this must be made more realistic.

8. Results

The analysis is conducted in two stages: first the direct effect of transparency on trust is assessed. Next, we analyze both mediation and moderation by knowledge and at mediated effects through information credibility. First however, the experimental manipulation was checked; this showed indeed that participants perceived the highly transparent website as the one that contained the greatest deal of information, it differed significantly from the no and low transparency group ($t(89)=2.007, p < .05$).

8.1 Direct effects of transparency on trust

We will now test for specific differences in perceived trustworthiness between groups using the hypotheses formulated in section 6.

H1: Transparency negatively affects perceived competence of a local council.

H2: A high level of transparency positively affects perceived honesty of a local council.

H3: Transparency does not affect perceived benevolence of a local council.

A one-way multivariate analysis of covariance (MANCOVA) was conducted to determine the possible direct effect of the three levels of transparency on the three dimensions of perceived trustworthiness.⁵ The MANCOVA is followed-up by contrasts comparing the three level of

⁵ Covariates included are: Trust in government in general, gender, specific knowledge and information

transparency with each other. Box's M was not significant⁶, indicating that the assumption of homogeneity of variance-covariance was not violated. In addition, no problems with multicollinearity were detected and no outliers were evident so MANOVA was considered to be an appropriate analysis technique. First, the overall means of each group for each dependent variable is displayed in table X.

Table 2 - Means

Dependent Variable	Level of transparency	Mean (SE)
Perceived Benevolence N=40	No transparency	3.60 (.10)
	Low level of transparency	3.46 (.07)
	High level of transparency	3.35 (.08)
Perceived Competence N=45	No transparency	3.59 (.09)
	Low level of transparency	3.22 (.07)
	High level of transparency	3.13 (.08)
Perceived Honesty N=42	No transparency	3.42 (.09)
	Low level of transparency	3.16 (.07)
	High level of transparency	3.14 (.08)

Covariates appearing in the model are evaluated at the following values: *Trustingov* = 3,4040, *Info cred* = 3,5762, *Gender* = 1,54, *COMPUTE Spec. knowledge* = 1,7770.

The figures in table 2 show that the people who did not use transparency generally perceived to be more trustworthiness than people who did use transparency, regardless the level of transparency.

Next, the overall multivariate effect of transparency on perceived trustworthiness is assessed. This overall effect was significant, which means that transparency affects perceived trustworthiness in general, regardless the level of transparency ($F(6,284)=2.586, p = 0.019$)⁷. The results indicate that only perceived competence ($p = .002$, variance explained = 0.085) is directly affected by transparency.⁸ This analysis is followed up with specific comparisons, to discover differences between the three levels of transparency are assessed. This also indicates whether trust is affected positively or negatively. Results from this analysis are shown in Table 3.

credibility. Other control variables (mentioned in section 7.3) were excluded from the analysis since they appeared not to have a significant effect on the dependent variables.

⁶ Box's $M = 21.595, p = .051$. N.B.: only high significance might be problematic for Box's M ($p < .001$)

⁷ Pillai's trace = 0.113. partial eta squared = 0.052

⁸ Levene's test of Equality of Error Variances was non-significant for all dependent variables.

Table 3 – Group comparisons (contrast estimates)

<i>Competence</i>			
	v. No transparency	v. Low transparency	v. High transparency
No transparency	N/A	-0.373*	-0.457*
Low transparency		N/A	ns
High transparency			N/A

* $p < .05$, with Bonferroni adjustment for multiple comparisons

Table 3 demonstrates that people who used transparency perceived the local council to be less capable, effective, skilful and professional, i.e. competent. People in both the low level and the high level of transparency group perceived the government organization to be less competent than people who were not acquainted with the transparency at all. Whether people received a great deal or a little amount of information did not matter although a higher level of transparency made the negative perception of competence even stronger. With regard to perceived honesty and benevolence no significant effects were found.

This means we should reject the H2 and accept H1 and H3. The results provide evidence that *any level of transparency* negatively influences the perceived competence of the local council, controlling for all other factors. Concerning perceived honesty however, no significant effect was found. Also, as expected perceived benevolence remains stable throughout the experimental and control groups.

8.3 Effects by information credibility and knowledge

When using transparency, two variables in the transparency and trust relationship become important: information or message credibility and specific knowledge about the council. The indirect effects of transparency on trust are tested by the research model mentioned in section 6.

To test mediating effects of information credibility and knowledge, we will first assess the effect of transparency on these two variables by carrying out a One-way ANCOVA.⁹ A significant effect of transparency on information credibility is detected. This means that the level of transparency affects the credibility of the information. The same technique is used to test the effect of transparency on knowledge about the government organization. Results show

⁹ Levene's test of Equality of Error Variances was non-significant.

however that no significant effect of transparency on specific knowledge about the local council was found.

Table 4: ANCOVA on information credibility and specific knowledge

	Information credibility ¹⁰ (N=111)		Knowledge ¹¹ (N=111)	
	F ratio	Partial eta squared	F ratio	Partial eta squared
Intercept	35.659***	.252	3.407	.031
Transparency	8.188**	.072	1.470	.014
General knowledge	N/A	N/A	25.307***	.191
	<i>Adj. R² = .156</i>		<i>Adj. R² = .237</i>	

** $p < .01$ *** $p < .001$.

Table 4 also shows that transparency significantly affects information credibility. In contrast, the specific knowledge people possess about this particular decision-making process¹² is not influenced by the amount of transparency. However, the general level of knowledge¹³ people have about a municipality is also taken into account in the analysis. This appears to have a highly significant effect on the specific knowledge people possess regarding the particular topic that is made transparent (i.e. public decision-making about air pollution in a municipality). Hence, specific knowledge is not influenced by transparency, but is rooted in a general level of knowledge people already possess.

The next step in our analysis is to confirm a mediation effect of information credibility and knowledge on the three perceived trustworthiness by a One-way MANCOVA. Again, Box's M was not significant,¹⁴ no problems with multicollinearity were detected and no outliers were evident. Firstly, the overall multivariate effects are assessed. The results are displayed in Table 5.

¹⁰ Covariates: trust in government in general, age.

¹¹ Covariates: General level of knowledge, age.

¹² I.e. self-assessed knowledge about decision-making processes of local government, knowledge about the particular policy plan mentioned in the minutes and knowledge about the how the local policy measures are materialized.

¹³ I.e. self-assessed knowledge about local government politics/policy; general knowledge about the functioning of the local council.

¹⁴ Box's $M = 8.432, p = .226$

Table 5 – Overall MANCOVA test on perceived benevolence, competence and honesty

Variables ¹⁵	<i>F</i> -ratio	Partial Eta Squared
Transparency	0.392	.012
Information credibility	5.760***	.149
Specific knowledge	3.046*	.084
Info cred.* spec. knowledge	3.369*	.093
Trust in government in general	14.091***	.299
Intercept	2.299	.065

* $p < .05$ ** $p < .01$ *** $p < .001$.

Although an overall direct effect of transparency on perceived trustworthiness exists, differences between low and high levels of transparency are only explained by mediation of information credibility, and direct and moderating effects of specific knowledge of participants.

Information credibility significantly mediates the effect and explains changes in perceived trustworthiness for almost 15 percent. A planned contrast points out that as transparency is on a higher level the information credibility is so too. In addition, people who already possess specific knowledge perceive the government organization differently than people who have less knowledge. We have already seen that transparency does not affect this knowledge, but that this is rooted in the general knowledge people already have (see Table 4).

Also, specific knowledge has a moderator effect, which means it influence the strength of the relationship between information credibility and perceived trustworthiness. This moderation effect is indicated by the significant interaction term between information credibility and specific knowledge. Another finding is that the covariate trust in government in general strongly affects the perceived trustworthiness of this particular government agency. Although this is not very surprising, it is important to notice since 29.9 percent of the variance is explained by this covariate.

¹⁵ Significant control variable used as covariate: gender ($F=7.599$, $p < .001$).

To be able to interpret the data, we will look into the specific effects on each variable. The direction of the effects will also be assessed.

Table 6 – Multivariate effects on dependent variables

N=108	<i>Benevolence</i>		<i>Competence</i>		<i>Honesty</i>	
	<i>F</i> -ratio	<i>Eta</i> ²	<i>F</i> -ratio	<i>Eta</i> ²	<i>F</i> -ratio	<i>Eta</i> ²
Transparency	n.s.	.001	n.s.	.006	n.s.	.000
Information cred.	5.269*	.050	17.275***	.146	n.s.	.029
Spec. knowledge	n.s.	.013	5.298*	.050	n.s.	.006
Info cred. * spec. knowledge	n.s.	.013	6.947**	.064	n.s.	.003
Trust in government in general	24.065***	.192	20.532***	.169	34.065***	.252
Intercept	n.s.	.008	n.s.	.011	n.s.	.034
		<i>Adj. R</i> ² = .334			<i>Adj. R</i> ² = .403	<i>Adj. R</i> ² = .498

* $p < .05$ ** $p < .01$ *** $p < .001$ n.s. = non-significant. Including covariate for control variable gender ($F=7.126, p < .001$).

Table 6 provides evidence that information credibility is important with regard to the perceived benevolence and competence of the local council, whereas perceived honesty remains unaffected. Parameter estimates (not displayed in the table) show that information credibility has a positive impact on these perceptions of competence and benevolence.

Perceived competence is predicted to the greatest extent by information credibility, although the effect of trust in government in general is nearly the same. In addition, the level of trust in government in general also significantly predicts perceived benevolence (variance explained = 19.2%) and perceived honesty even stronger (variance explained = 25.2 %). In fact, trust in government in general appears to be the only significant predictor of perceived honesty of a government organization. These results suggest there is some kind of trade-off between the effect of information credibility and levels of trust in government in general on trust in a specific government organization.

Specific knowledge only (positively) influences perceived competence. Hence, people with more knowledge assess the government organization to be more willing to act in the interest of citizens. Also, specific knowledge moderates the strength of the relationship between

information credibility and perceived benevolence. Parameter estimates indicate that specific knowledge weakens this relationship. Thus, if people have more knowledge specifically about the activities of the council, the effect of information credibility on perceived benevolence is less strong, while more knowledge also has a direct, positive influence on these perceptions of benevolence. However, the specific knowledge people possess is not determined by transparency itself, but coincides with high levels of general knowledge about the wheeling and dealing of government in general.

Overall, the results demonstrate that if people use transparency, compared to those who did not use transparency at all, this directly negatively affects their perception of the competence of the council. No other direct effects of transparency were found. These results are summarized in table X.

	Hypotheses	Accept?
H1	Transparency negatively affects perceived competence of a local council.	Yes
H2	A high level of transparency positively affects perceived honesty of a local council.	No
H3	Transparency does not affect perceived benevolence of a local council.	Yes

Next, we tested the role of information credibility and knowledge for the low and high level transparency groups. These results are summarized in the Figure 2 below.

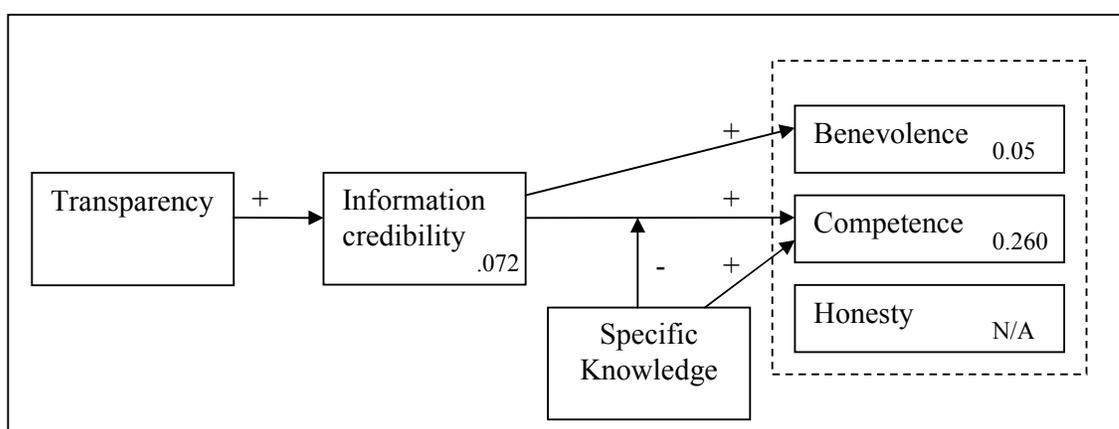


Figure 2: adjusted research model. Figures in squares are variances explained by the factors mentioned in the model.

Figure 2 shows that if transparency is used, a higher level of transparency positively influences information credibility. Information credibility has a positive influence on perceived benevolence and perceived competence. Specific knowledge weakens the

relationship between information credibility and perceived competence; will it also has a positive direct effect on competence. This indicates a shift: while the strength of the effect of information credibility is weakened, the effect of knowledge becomes stronger. These results will be discussed in the next section.

9. Discussion

This discussion will first elaborate on the results found with regard to the lower level of perceived competence. Secondly, the non significance of the effects on perceived honesty will be explained, then we will delve deeper into the role of specific knowledge in the relationship concerning perceived benevolence. Finally, two limitations of this study are listed and discussed.

Firstly, we saw that the local council was perceived to be less competent after people had read their minutes. Transparency of public decision-making does not show this process as a smooth rational process but also the bickering and bounded rationality in this process (cf. Stone, 2001; Lindblom, 1959). This exactly touches on the dimension of perceived competence. Perceived competence is a dimension of perceived trustworthiness which is *utilitarian* and more concrete than other dimensions and may therefore be easier to assess by people by this single interaction. The results of this study hint at an insurmountable negative effect of transparency of public decision-making on citizen trust in the local council. The decrease in perceived competence seems to demonstrate the dark side of transparency seems to prevail in this case, particularly the demystification of government performance (Bovens, 2003).

A high level of transparency might lead to an increase in information credibility, which contributes to positive perceptions of a competent and benevolent local council, compared to a low level of transparency. However, this merely smoothens the negative overall effect of transparency in general: especially the competence of the council is held in lower regard by people who used transparency than those who did not use it. Transparency of council minutes does not contribute to higher levels of trust in the local council, let alone trust in government in general.

Secondly, unlike expectations transparency did not affect perceived honesty. Giving information about public decision-making seems only to meet the expectation that this is part of a normal functioning government. It is a *conditio sine qua non* for trust in the local council. This can be explained that transparency of public decision-making is a long-established form

of openness and perceived to be the standard. Also, the Internet revolution has fed people's expectation regarding their demand of access to a great deal of data of government (Shapiro, 1999).

In the analysis between the low and high level transparency groups this finding was confirmed. The effect of transparency on perceived competence and benevolence appeared to be mediated by information credibility. People who dealt with a high level of transparency found the information more credible, and the degree of information credibility was related to higher perceptions of competence and benevolence. Perceived honesty was not affected. Apparently, the effect of mediated information credibility on the dimensions of perceived trustworthiness is different than the direct effect in the comparison with the no transparency group.

Individuals who actually use transparency do not determine their honesty by information credibility, but by the trust they have in government in general (variance explained = .252). Hence for groups of people who use transparency, perceived honesty seems to be pre-determined to a large extent. Perceived honesty seems to be a fundamental dimension; this aspect of the trust relationship may only rise or decline over time, by repeated interactions with the local council.

In addition, Van de Walle (2004) provided empirical evidence that trust in government in general is not influenced by the perceived performance of public institutions. The argument by sceptics of transparency is that trust in government is rooted in a general disposition of people towards government that is not influenced by specific interactions or perceptions of individual government organizations. This argument is partly in line with our findings regarding perceived honesty. This is, in contrast to perceived competence, an ethical and arguably the most fundamental dimension of trust in government. This also explains why knowledge did not have a significant effect on perceived honesty; this dimension does not increase with more or less knowledge, it is presumably determined by structural, general beliefs about government.

This brings us to the third finding about the role of knowledge of people about the local council. First, information credibility does positively influence competence and benevolence. In addition, perceived competence is affected by the level of specific knowledge, which also weakens the relationship between information credibility and perceived competence. Hence, the effect of knowledge is twofold. The level of specific knowledge about the public decision-

making process is not determined by transparency, but by the general level of knowledge people already possess. Perhaps the amount of information people read on the website was not sufficient to really have an influence on their level of specific knowledge of the local council. This moderator effect of knowledge is in line with the findings by Mondak et al (2007). Hence, knowledge *shifts* the way in which trustworthiness is affected: less by credibility, more based on knowledge. People are less likely to assume that a local council is willing to act in the interest of its citizens, based on credibility, but this perception is based on what people think they know of this government organization. Hence, specific knowledge becomes the ‘primary driver’ of people’s thoughts in this case (cf. Bigley & Pearce, 1998).

Fourthly, two limitations of this study are discussed: the external validity of the experiment and one problem of causality.

The first issue is about the external validity of the experimental design. The aim of experiments in general is not to achieve a perfect external validity, but to try to assess causal relationships. Nevertheless, if we compare the percentage of high educated participants in the sample to those in the Netherlands, these percentages are comparable: 33.3 percent in sample versus 26.4 percent of the population in 2008 (Source: CBS). The average age of our sample is 29.7 years, which is nearly 10 years younger than the average of the population (38.65 in 2005, CBS). This is due to the bias towards students in the sample. Still, this is not inevitable with respect to external validity, as Van Dijk (2008) showed that people who use government websites are relatively young compared to the total population. Having said this, the aim was not to get to a perfectly representative sample, as the aim is internal validity by (statistically) controlling for external factors.

A second issue is the causal mediating effect of information credibility on perceived trustworthiness can only be assumed theoretically. Whether higher levels of information credibility lead to higher levels of perceived trustworthiness or vice versa cannot be assessed using this experiment only. Roosenbloom (2000) and Flanagin and Metzger (2007) explicitly state a difference between information credibility and perceived trustworthiness (‘sponsor credibility’). Trust in information is directly observable by people. Visitors try to form a perception of the trustworthiness of a government organization based on the information they read. Presumably a higher level of perceived trustworthiness also causes people to think that the information is more credible. In this sense a feedback relationship could exist between perceived trustworthiness and information credibility.

10. Conclusion

Is government transparency really something that is ‘ultimately good’? The results of this study hint at an insurmountable negative effect of transparency of public decision-making on citizens trust in a government organization. The decrease in perceived competence demonstrates that the dark side of transparency seems to prevail in this case, particularly the demystification of government behaviour. People notice that behind the scenes, public decision-making is not rational as it appears from the outside (Stone, 2000). It is not a smooth process in which all values and solutions are listed, weighed and then chosen. It is incremental, and it is a process that comes along with bickering and a lack of resources and information: the ‘optimal’ solution cannot be determined objectively. Hence, the expectation of rationalism is not met and cannot be met. Strategic representations and arguing are inherent to public decision-making. This gap between expected rationality and the reality of bounded rational - i.e. decision-making as ‘muddling through’ (Lindblom, 1959) - may lead to demystification of government. According to Bovens (2003), demystification of government is an important price we pay for increased transparency. Transparency could contribute to political cynicism and citizen trust in government might decline.

Hence, people expect the local council to be transparent, but in the end there seems to be a gap between public expectations of rationalism whilst the reality that transparency discloses, is much more chaotic and reveals public decision-making as ‘muddling through’.

So if people actually *look behind the scenes* of the local council, they are disappointed and hold it in lower regard than before. Despite this negative effect of transparency on trust, the question remains whether this is necessarily a bad thing. It depends on how transparency is perceived. It can be seen as a policy instrument of government: by providing information, government can strengthen citizen trust in government. Secondly, transparency is said to be a democratic value; transparency is an essential element for a highly performing and trustworthy government. Although from the second and widely shared perspective it is unthinkable that the openness of council minutes would be restricted, (this form of) transparency as an instrument seems to have failed to fulfil its promise. From the democratic perspective the demystification should be taken for granted (‘they just need to perform better’). On the other hand, incremental public decision-making is a reality, one that cannot be changed.

The promise of transparency might only be fulfilled by changing expectations of citizens about public decision-making, as restricting their 'look behind the scenes' will only give rise to more suspicion of and less trust in government.

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