

Transparent Government Inspections: Using the Internet to Strengthen Civic Competence?

Paper written for ECEG2005

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Abstract

Transparency of government inspections enables citizens to pressure companies and public organizations into behaving according to their demands. This paper reports an empirical study into the effects of the increased transparency of inspection services on civic competence. Civic competence is defined as a citizen's ability to accomplish public tasks. The study indicates that, although citizens make little use of inspection data and civic competence is not strengthened, transparency does stimulate organizations to score better on performance indicators and comply with legislation.

Keywords

Government inspection, regulation, Internet, civic competence

1. Introduction

The food inspection agency in Denmark does not only control the quality of food but also empowers citizens. This agency shows the results of food inspections in a chart with smiley's. These smiley's visualize the inspection results: a smile means that standards are met, a sad face indicates that they are not. These smiley's are available on the Internet and on a chart in every restaurant. When citizens conclude that the restaurant does not meet the food agency's standards, they can choose to go to another restaurant or express their distress to the restaurant's management. These choices and complaints can stimulate restaurants to improve their food safety. One could even conclude that the food safety agency no longer needs to impose fines: publishing inspection results on the Internet enables citizens to put the pressure on restaurants.

Debates on e-government generally concentrate on the use of the Internet for improving service delivery to citizens. This focus is too narrow since service delivery is not the only task of government. Regulation of society is another major task of government but this task is often neglected in research on e-government. As the Danish examples demonstrate, the Internet is used

in innovative ways to improve the effectiveness of government inspections. This paper presents an explorative study of uses of the Internet for government inspections.

An important task of government is to inspect whether organizations – companies and public organizations – comply with legislation (Bardach & Kagan, 1982; Sparrow, 2000). Police departments play an important role in enforcing legislation and, additionally, many other government agencies are involved. Examples are environmental protection agencies, food inspection agencies and school inspection services. Inspection services have the authority to enforce behavioral standards and impose fines or other sanctions upon companies or public organizations. Companies and public-organizations have to demonstrate (legal) compliance.

Modern inspection services are increasingly confronted with citizens that closely follow their actions. Citizens have become interested in inspection data and ask questions such as why does that factory keep polluting the air and why is school quality substandard. These questions have resulted in an increased transparency of government inspections. The work and the results of inspection services have been opened up to the general public.

Transparency of inspection data has been viewed as a way to enable ‘civic competence’ (Bekkers et al., 2003: 92). Civic competence can be defined as a citizen’s ability to accomplish public tasks. From this perspective, the task of government is not only to directly enforce rules and regulations but also to enable citizens to pressure companies and public organizations into behaving according to popular demand. The food inspection agency in Denmark provides an interesting example of civic competence.

The Internet adds a new dimension to civic competence. Publishing inspection data on the Internet enables citizens to get direct information about the performance of companies and public organizations. One can argue that the Internet creates opportunities for direct involvement of citizens in inspecting companies and public organizations. Civic competence – the ability of citizens to accomplish public tasks – could be strengthened through the Internet.

The opportunities for citizen competence in government inspections have been mentioned for some time but the greater availability of inspection data to the public has not been studied systematically. There is little information on how citizens use the information to influence inspection services, companies and public organizations. Another gap concerns the effects of civic competence: scientific research does not tell us whether inspection services, companies and public organizations actually change their policies.

There is a need for empirical research into the growing transparency of government inspections, the use of this transparency for civic competence and the effects of these changes on government inspection services, public organizations and companies. In this paper I will address the following question: What are the effects of the increased transparency of government inspections – through the Internet – on civic competence and, consequently, on inspection services and on the organizations that are the object of these inspections?

I will use the following model to study this question:

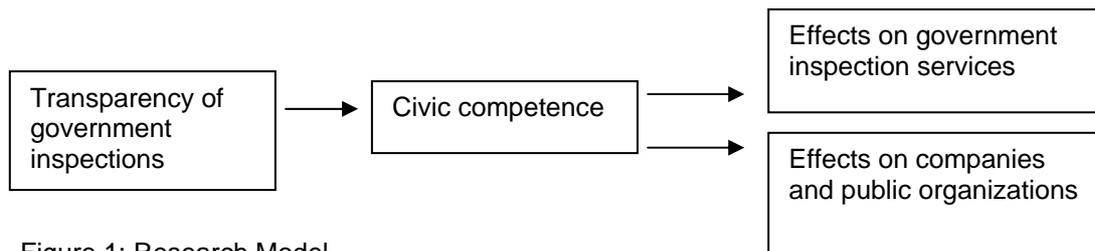


Figure 1: Research Model

This paper presents the results of an explorative study into the increased transparency of government inspections in two policy domains in the Netherlands: high school education and disaster management.

2. Transparency of Government Inspections: Chances and Risks

Theories of government inspection focus on the relation between inspection services and companies or public organizations (Bardach & Kagan, 1982). Inspection services check compliance with standards and report their observations back to the companies and public organizations and non-compliance may result in sanctions. This perspective on government inspections is outdated. The increased transparency of government inspections requires that the environment of inspection services is taken into account. Inspection services do their work before an audience and this audience forms an opinion about both inspection services and companies or public organizations.

Citizens are an important part of the 'audience' of government inspection services and could use the information for their own benefit. Increasing the competence of citizens has been regarded as a means to enhance the effectiveness of government inspections. Political scientists generally define civic competence as a citizen's ability to accomplish political tasks (cf. Lupia, 2003; see also Dahl, 1991; Cassel & Lo, 1997). Civic competence then relates to the citizen's tasks in the political sphere (voting, persuading others to vote for a candidate, work for a political party, attend political meetings, etc.). In this paper, I broaden this concept to include a citizen's ability to accomplish *public tasks*. Civic competence in this broad definition does not only include tasks in the political sphere but also to his tasks in the public sphere (choosing a school, influencing the location of dangerous production facilities, choosing a hospital, etc.).

Although civic competence becomes more important, it not replace for traditional forms of inspection but rather complements them. Generally, traditional forms of inspection remain in effect but publishing the results forms the basis for additional pressure from citizens. Civic competence is a contemporary answer to the growing complexity of society. Citizen behavior can enhance pressure on companies and public organizations to comply with behavior standards.

Hirschman's theory of exit and voice is useful for understanding how citizens pressure companies and public organizations to change their behavior. Hirschman (1970) indicates that citizens can either use *exit* – leave the organization or stop buying the company's products – or *voice*

– express their dissatisfaction to the organization. Both signal the organization that it needs to change to keep citizens satisfied. An example of exit is that citizens stop going to a restaurant when inspection reports indicate that food safety is below standard. Voice would mean that citizens talk to restaurant management and express their discontent.

Exit and voice both signal the organization that it needs to change. The next question is whether organizations do actually pick up these signals and use them for improving contacts with citizens. Does restaurant management, in the case above, indeed realize that it needs to improve its food safety to keep customers? Deutsch's (1966) theory on the 'nerves of government' can be used to understand how signals are detected and processed. Receptors detect signals and effectors create changes in organizations. Inadequate receptors and effectors result in either organizations not detecting signals or detecting but neglecting them.

This brings about the question whether involving the public does indeed improve the effectiveness of government inspections. It has been proposed that civic competence can increase the detection of failures and, therefore, complement government inspections (Brin, 1998). For instance, citizens could notice that a restaurant has blocked the fire exit. Civic competence may also increase the efficiency of government inspections: external pressure from citizens may stimulate companies and public organizations to comply with inspection standards. The Danish smiley's in the introduction of this paper exemplify this opportunity.

Increasing the transparency of inspections and stimulating civic competence may also create risks. Critics of transparency emphasize the risk of 'decoupling' (Power, 1999): a gap between information and actual performance. For instance, inspection results may focus on a limited number of food safety aspects, other aspects are not measured. This creates an incorrect image of the performance of companies and public organizations. Another risk mentioned by Power is 'penetration': public organizations may only try to score high on formal standards and neglect other aspects of performance. This may lead to a 'performance paradox' (Dubnick, 2003): indicators are no longer an adequate measure for performance. Another risk is that the costs of government inspections – gathering and publishing information, debating performance – will go up dramatically when inspections services need to strengthen civic competence.

In short, the literature indicates that the increased transparency of inspections and civic competence creates both chances and risks for the effectiveness of government inspections. Through empirical research I investigated the effects of civic competence in two policy sectors in the Netherlands.

3. Research Design

I studied the Internet transparency of government inspectorates that have received most media attention in the Netherlands. Interviews with key informers were used to select these cases. The sectors that were selected were High School Education and Local Disaster Management. These

sectors both exhibit advanced practices of Internet transparency of government inspectorates. I will briefly introduce these sectors.

In education in the Netherlands, public organizations receive public funding to do their work. Citizens do not have a direct relation with government officials but communicate with employees of these public organizations. Citizens have the opportunity to choose between different schools. This choice mainly serves their own interest: parents want the best education for their children and choose the school that they think is best. These individual choices can have positive effects on school policies but the main thrust is improving individual situations. Citizens can use both exit and voice as a reaction to a decline in the performance of schools (Hirschman, 1970). Citizens can also collect their own information about school performance: they walk through the schools, hear stories from their children and talk to teachers and school management. As of 1998, school inspection data were published on the Internet.

Local disaster management is a key task of local government in the Netherlands. Local governments are responsible for mapping risks in their area and developing plans to react to possible disasters. Who should do what when a factory explodes? What to do in case of a airplane crash? In contrast with high school education, citizens do not really have the opportunity to ‘vote with their feet’ since that would mean moving to another area. Voice is their only option: citizens can contact their government and complain. Another difference with school inspection services is that, generally, citizens cannot collect their own information about factories and the risks they pose. They cannot inspect the premises and evaluate safety measures. A third difference concerns the character of civic competence: reactions of citizens on the environmental performance of organizations do not only serve their own interest but also the interest of their neighbors. If one citizen can make a dangerous factory move, all citizens in the neighborhood are better off since risks are diminished.

Differences between the two sectors are shown in table 1.

	School Inspection	Environmental Inspection
Civic competence	Individual interest	Collective interest
Citizen Sanctions	Exit and voice	Voice
Information Collection	Observations	Few observations

Table 1: Theoretical Role of Citizens in School Inspections and Environmental Inspections

To evaluate the effects of Internet transparency and civic competence, I interviewed representatives of inspection services and of the organizations that were inspected. I asked them for information on the frequency of use of the websites. I talked to key informers to find out whether the information available on the Internet is actually used and whether the increased transparency and civic competence affected the behavior of inspection services, companies and public organizations. In the context of this exploratory research, I did not conduct a large scale survey among citizens.

4. Quality Cards in Education

Until 1997 the quality of high school education in the Netherlands was monitored by the national School Inspection Service (in Dutch: *Onderwijsinspectie*). Inspectors of the School Inspection Service visited schools regularly and reported on the results of these inspections to the schools and to the Minister of Education. These results were not made public and were not accessible to citizens.

In 1997 a Dutch journalist requested access to databases with the summaries of inspection reports. The minister of Education denied access but the judge concluded that the minister did not bring forward strong arguments to support his case and ordered him to grant public access to the results of school inspections. The journalist used these results to compare the quality of schools. From then on this newspaper – *Trouw* (www.trouw.nl) – kept publishing articles on the quality of schools annually and it opened a website so citizens could view this information at all times.

The increased openness drastically changed the School Inspection Service. The agency decided to also publish the results of school inspections. The School Inspection Service redefined its task and stated that one of its tasks was to provide citizens with independent and reliable information about the quality of schools. The School Inspection Service opened a website and for the first time published quantitative information concerning the quality of schools – the so-called Quality Cards (www.kwaliteitskaart.nl) – in 1998.

The newspaper *Trouw* was unable to provide me with information about the number of hits on their website; the School Inspection Service indicated that they get about 40 visitors daily (measured in January and February 2003). They also get about 200 questions a month through the info-mail facility on their website. Neither the School Inspection Service nor the newspaper could provide information on the characteristics of visitors to the website and the use of inspection data. Did parents use the information to choose a school? Or was the information used by other stakeholders?

Research indicates that information on school quality is not very important in the choice of a school ('exit' (Hirschman (1970)). Sources of information that are used for the choice of schools are presented in the following table:

Visits to schools	79%
Advice given by primary school	54%
Information provided by other parents	38%
Written information	34%
Articles in newspapers	6%
Quantitative information on the Internet	5%
School websites	1%
Other information	17%
No information	2%

Table 2: Information used in school choice (Vogels, 2002: 40)

An alternative form of use might be that parents use the quantitative information to discuss the quality of education with teachers and school management (in Hirschman's (1970) terminology: 'voice'). My interviews with school management, however, indicate that parents rarely ask school management questions on the basis of the Quality Cards.

My interviews indicated that teachers and school management view the Quality Cards on the Internet to evaluate how their schools are doing compared to other schools in the region. Rankings are important and a high ranking is celebrated. In this respect, the situation in the Netherlands is not a special case. Empirical research in England indicates that English teachers and school management also find rankings important (Hilhorst, 2001: 84).

Local media use the Quality Cards to write articles on the quality of schools. What is the best school in the region? They use the information on the Internet both to provide their readers with information and to help them in forming an opinion about schools. Negative publicity can damage the reputation of schools and may therefore indirectly impact school choices.

Although the Quality Cards have little influence on school choices, the information on the Internet does impact school policies. Schools try to improve their rankings. This leads to improvements in school performance and stimulates school management to make an effort to improve the output of the school. However, the Quality Cards also stimulate strategic behavior. For instance, schools are strict in their selection of students, do not follow policies that might improve the quality of education but do not result in a higher ranking since they are not measured and might even give students higher grades to improve their ranking.

5. Risk Maps in Disaster Management

In 2000 a fireworks factory exploded in Enschede (the Netherlands) and eighteen people were killed. An important complaint of citizens was that many of them did not even know there was a fireworks factory in their neighborhood. Since the disaster, Dutch local and national governments have paid much more attention to disaster management and risk communication. The Internet plays an important role in risk communication: citizens can use several risk maps on the Internet to look up risks in their vicinity.

Initially, these maps were created by provinces – first Friesland, later Limburg, Utrecht and others – to facilitate cooperation between the various organizations that are involved in disaster management. After the disaster in Enschede, all these authorities decided to make the information available to the public through their websites. Their risk maps display sources of risks (factories, airports, gas pipes) and targets (schools, hospitals, shopping centers).

Apart from the provinces, cities also publish risk maps on the Internet. An interesting case is the city of Eindhoven. The risk map of this city does not only display sources and targets of risks but also the outcome of inspections of hazardous facilities, for example: additional safety facilities need to be created. The city also enables companies to respond directly to these results: if the company indicates that it has created safety facilities, this is mentioned on the website. Companies do not have

to wait for the next inspection to improve their reputation and show that they have taken appropriate safety measures. At a later time, the inspection service checks whether the company has actually introduced these measures accurately.

The risk map of the city of Eindhoven is not as easy to find as the Quality Cards in education. The risk map is published on the website of the city but one has to look well to find the risk map. Another difference between these risk maps and the Quality Cards is that the risk maps do not provide comparative information. One cannot tell whether the city of Eindhoven does well in inspecting risk locations in comparison with other cities.

The city of Eindhoven received many hits when the website was just made public – 5500 hits in six weeks, later the number of hits went down to 700 to 1000 hits per month. The city has not investigated what the risk maps are used for by citizens. They receive few e-mail reactions. The dominant view in the interviews was that citizens want to know about the risks in their neighborhood but do not use this information to put pressure on companies to improve their risk management or demand better inspections from the city. Surprisingly, the information in Eindhoven is hardly used by the media. Companies *fear* media attention but no articles have been published on the basis of the risk maps I investigated.

One may argue that citizens start acting when something goes wrong. Schudson (1998) highlights the idea of the *monitorial citizen*: citizens follow what goes on in the public sphere and only act when they see danger to their personal situation or to the public good. This could explain why citizens do not use the information in Eindhoven. According to Schudson's theory, citizens in Eindhoven will only act when they perceive a dangerous situation. As long as government inspection services and companies perform well, they will not receive any signals from citizens.

The lack of citizen action does not mean that publishing inspection results has no effect. In the city of Eindhoven the compliance of companies to recommendations made by inspectors has increased significantly from 11 % of the companies before the risk map was published to 85 % now. Respondents have indicated that companies fear media attention and damage to their image. Anticipating media attention, they comply with recommendations for risk prevention.

6. Evaluation of the Cases

The cases describe the increased transparency of school inspections and environmental inspections and resulting forms of civic competence. We can compare these two cases and evaluate the nature of the increased transparency, civic competence and the effects on inspection services, companies and public organizations. I will start with the nature of the transparency and the reasons for creating more transparency.

In both sectors we saw that crises created more openness in the sector. In education the crisis was created by a journalist – a 'policy entrepreneur' (Kingdon, 1984) – who forced the School Inspection Service to make its reports public. The crisis in disaster management was a physical crisis: eighteen

people in the surrounding neighborhood died when a fireworks factory exploded. This crisis forced authorities to be more open about risks. Neither in the case of school inspection nor in environmental inspections, civic competence was a deliberate strategy of the inspection services involved.

The transparency in the two sectors increased in different ways: in high school education the focus was on quantitative information, in environmental inspections on qualitative information. The transparency of school inspections focuses on performance indicators of schools. The performance of schools is measured with respect to various indicators and the results of the quantitative measurements are made available through the Internet. The environmental inspection service publishes the qualitative results of inspections on the Internet so citizens can see whether a company implemented appropriate safety measures. No quantitative information is available and citizens cannot compare environmental inspection services in different cities.

In high school education, the opportunities created for civic competence focus on the role of citizens as consumers. The Internet is used to facilitate 'choice' and creates few opportunities for 'voice'. Quality Cards support citizens in choosing a school but the Internet is hardly used to stimulate debate between School Inspection Services, schools and citizens. A similar neglect of creating opportunities for debate and stimulating 'voice' is seen in risk management. Citizens are informed about risks but not stimulated to act. From a cynical perspective, one could argue that government inspection services only inform citizens to avoid blame. When something goes wrong, citizens cannot accuse the environmental inspection for not informing them.

The second variable I studied was civic competence. In both sectors my research showed that the information was accessed by citizens but hardly used to influence companies, public organizations or inspection services. In disaster management, the risk maps were not used to pressure companies and governments into reducing risks and improving safety. In education citizens made little use of the information for choosing schools and did not use the information to ask questions about school performance. The information on websites enables civic competence but the opportunities are not used much. One may argue – in line with Schudson's (1998) theory of the *monitorial citizen* – that the information will only be used when citizens feel their own personal situation or the public good is threatened. No signals will be given if the public sphere functions well.

One would assume that the negligible use of inspection data by citizens would result in a lack of effects on inspecting and inspected organizations. However, although the information was hardly used by citizens, the transparency did affect companies, public organizations and inspection services. Government organizations – and also companies – fear negative publicity. The prime driver for change in education and disaster management is reputation management. Organizations anticipate media attention and try to avoid negative publications. Schools make an effort to score better on performance indicators and companies comply with environmental rules. Transparency has a direct effect on companies and public organizations.

The quantitative information about schools may create negative effects on the performance of schools. The Quality Cards provide 'poor information' concerning the performance of public

organizations. Opponents of openness argue that this information is harmful: organizations strive to score better on a limited amount of indicators and it is questionable whether this results in quality improvement. Public information on schools might result in a performance paradox: higher scores on indicators but less quality. Known negative effect of performance measurement may be reinforced by transparency.

The increased transparency also influenced the function of the Inspection Services. The School Inspection Service redefined its mission and stated that one of its tasks was to provide citizens with independent and reliable information about the quality of schools. The transparency did not change the mission of the Environmental Inspection Service in Eindhoven but the effectiveness of this inspection service increased dramatically. The compliance of companies with inspection recommendations went up considerably.

7. Effects of Transparency of Government Inspection

Empirical material collected in two sector studies was presented. We can now use this material to answer our research question: What are the effects of the increased transparency of government inspections – through the Internet – on civic competence and, consequently, on inspection services and on the organizations that are the object of these inspections?

Increasing the transparency of government inspections does not enhance civic competence: citizens make little use of the information available on the Internet to perform their tasks in the public sphere. One may even argue that the increased transparency of government inspections calls for more civic competence (cf. Dahl, 1991): citizens need to develop the ability to effectively process the enormous amount of information available to them to perform tasks such as choosing a school or monitoring risks in their surroundings. The School Inspection Service has recognized this and sends parents who need to choose a primary school for their children a booklet with guidelines for using available information on school performance and quality.

The fact that civic involvement is not enhanced does not mean that the transparency of government inspections does not affect inspecting and inspected organizations. The general effect is that transparency stimulates organizations to score better on performance indicators and comply with formal rules. Generally, the organizations do not react to signals of citizens but act as if these signals were given. Civic competence is not strengthened, but organizations act on the *presumption of civic competence*. This is shown in an alternative model for the effects of transparent government inspections in figure 2.

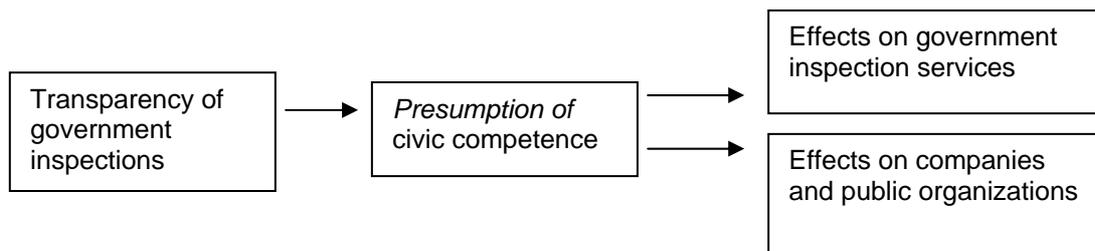


Figure 2: Alternative Model for the effect of transparent government inspections

The effects of these reactions to transparency and the drive for better scores on performance indicators and compliance with rules are not yet clear. In disaster management there are no drawbacks: transparency stimulates companies and governments to improve risk management. In education, schools are also stimulated to improve their performance but show strategic behavior. This strategic behavior might lead to higher scores but does not necessarily improve the effectiveness of these schools.

In both sectors, opportunities for civic competence are limited to access to information. Internet is not used for debates between citizens and organizations. Especially when the transparency concerns quantitative information, this lack of communication increases the risk of the 'performance paradox': organizations only try to score on performance indicators without debating what these scores mean. There is a need for debate, for a rational-critical discourse on political matters (Habermas, 1989). Without additional facilities for public debate, transparency may not increase the effectiveness of government inspections.

A debate on public affairs requires more than transparency of government inspections; additional empowerment of citizens is needed. Dahl (1991) calls for promoting an empathic understanding. Strengthening the involvement of citizens in the public sphere is crucial: citizens have the opportunities to accomplish public tasks but need to be stimulated to grasp these opportunities. Citizens should be stimulated to talk to schools about performance since this type of voice can result in better education for children. Citizens should be stimulated to actively evaluate risks in their neighborhoods since this can improve the quality of risk management. Civic competence, I believe, can serve both the interests of citizens and those of inspection services.

The Internet offers governments opportunities to improve its regulatory functions. Electronic government is not only about better service provision but also about better regulation. Inspection services should be careful when using the Internet to avoid adverse effects. Apart from publishing data they should use the Internet for public debate on regulation. Stimulating citizens to get involved in the public sphere is an interesting challenge for electronic government.

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