



Explaining the Popularity of Integrity Policies in Times of Critical Governance—The Case of Conflicts of Interest Policies for Ministers in the EU-Member States

Christoph Demmke, Jari Autioniemi & Florian Lenner

To cite this article: Christoph Demmke, Jari Autioniemi & Florian Lenner (2021): Explaining the Popularity of Integrity Policies in Times of Critical Governance—The Case of Conflicts of Interest Policies for Ministers in the EU-Member States, *Public Integrity*, DOI: [10.1080/10999922.2021.1987056](https://doi.org/10.1080/10999922.2021.1987056)

To link to this article: <https://doi.org/10.1080/10999922.2021.1987056>



© 2021 The Author(s). Published with license by Taylor and Francis Group, LLC



Published online: 03 Nov 2021.



Submit your article to this journal [↗](#)



Article views: 31



View related articles [↗](#)



View Crossmark data [↗](#)

Explaining the Popularity of Integrity Policies in Times of Critical Governance—The Case of Conflicts of Interest Policies for Ministers in the EU-Member States

Christoph Demmke^a, Jari Autioniemi^a, and Florian Lenner^b

^aPublic Management, University of Vaasa, Vaasa, Finland; ^bPolitical Sciences, Ludwig-Maximilians-Universität München, Munich, Germany

ABSTRACT

Current critical governance trends raise important questions for scholars in the field of integrity policies. Currently, scholars agree that governance trends show declining trends in the fields of democracy, human rights, justice, rule of law, corruption, conflicts of interest, politicization, protection of privacy, equality, and freedom of the press. These trends exist in many countries, albeit to a different degree. On the other hand, one can also observe an expansion of integrity policies. In the field of conflicts of interest (Col), for more than a decade, Col-policies have become ever more comprehensive and sophisticated. Countries implement ever more policies, introduce stricter standards and invest more in the implementation of Col policies. Col policies become more complex and the institutionalization and management of Col policies more professional. In view of these seemingly paradoxical trends, the purpose of this article is to discuss the relationship between these critical Governance trends and integrity policies. We discuss the case of conflict of interest policies for Ministers/Secretaries. We conclude that trends toward critical governance fit with the expansion of integrity policies for various reasons, but mostly because they are (increasingly) used as useful political instruments for various political interests.

KEYWORDS

Governance, democratic backsliding, integrity policies, conflicts of interest, effectiveness of policies

Introduction

Public policies can only be effective if they are supported by governance processes that support these policies from the design of the policy to its enforcement. In the field of ethics, for a long time, the focus has been on the adoption of new rules, but not on the implementation and enforcement (Demmke & Moilanen, 2012, p. 55).

During the last decades, the political climate seemed to become more favorable for integrity policies. Politicians have also discovered that moral action helps them to gain political support, for example, by using anti-corruption agendas as a political weapon against political opponents. As regards the implementation of Conflict of Interest (CoI) policies, countries have also started to invest in ever-new sophisticated ethics management systems (Hoekstra, 2015; Hoekstra et al., 2021; Hoekstra & Kaptein, 2012). Anechiarico & Jacobs defined this as the birth of a “panoptic vision” of integrity policies (Anechiarico & Jacobs, 1996, p. 23), integritism, or moralism of public policies (Driver, 2005) (defined as the illicit use of moral consideration).

CONTACT Christoph Demmke  demmke@outlook.de  Public Management, University of Vaasa, Wolffintie 34, 65101 Vaasa, Finland.

© 2021 The Author(s). Published with license by Taylor and Francis Group, LLC

This is an Open Access article distributed under the terms of the Creative Commons Attribution-NonCommercial-NoDerivatives License (<http://creativecommons.org/licenses/by-nc-nd/4.0/>), which permits non-commercial re-use, distribution, and reproduction in any medium, provided the original work is properly cited, and is not altered, transformed, or built upon in any way.

Amongst scholars, there is wide agreement that the existence of effective integrity systems is only possible in a supportive governance context. Almost all questions that occupy scholars of public integrity are premised on the need for maintaining the functioning of democratic (governance) systems and values like merit, impartiality, professionalism, fairness, anti-discrimination, etc. Today, there is a wide consensus amongst scholars that governance changes should be compatible with the principles of rule of law, diversity, equity, accountability, and organizational justice. Also, all innovations in the field of governance assume the need for an impartial, just, and fair governance system that may simply not be possible in an authoritarian and non-democratic system. Finally, most experts in the field of governance accept that Human Resource Management systems should be free of too much individual (political) discretion and conflicts of interest.

Unfortunately, during the last decades, almost all recent governance indices show worrying trends in the fields of democracy, human rights, justice, rule of law, corruption, politicization, transparency, inequality, and freedom of the press. For example, the transformation index of the Bertelsmann Foundation notes that democratic backsliding continues in Europe (Bertelsmann Foundation, 2020). On a more global level, statistics from Freedom House (2021) and the Economist Intelligence Unit (2020) show that the state of human rights, democracy, individual and media freedom is deteriorating, the number of authoritarian political systems is increasing, and even those that respect the rule of law and democratic principles appear less democratic and less inclined to cherish values and principles (Bauer & Becker, 2021; European Commission, 2021). According to the World Justice Project Rule of Law Index (2020), more countries declined than improved in overall rule of law performance for the third year in a row. Another index, the so-called Edelman Trust Barometer (2021) reported a general decline of trust in government and leadership. Finally, Transparency International noted in its corruption perception index 2021 almost no improvements as regards the development of (perceived) corruption levels.

Also, in the field of scholarly research in integrity policies, experts note a worldwide increase in corruption (Mungiu-Pippidi, 2015; Mungiu-Pippidi & Johnston, 2017), the politicization of public administrations (Cooper, 2021) and new value challenges arising from digitalization trends, especially as regards the protection of privacy (Royackers et al., 2018). In the field of Human Resource Management, experts note the emergence of new forms of organizational injustice (Demmke, 2020) and threats to merit-based systems (Sandel, 2020) in the global context of growing economic and social inequality (Kotkin, 2020; Piketty, 2017; 2020; Savage, 2021) and decreasing levels of social mobility (Friedman & Laurison, 2021). These trends also exist in many European countries that have become less stable and resilient in light of the continuous undermining of democratic standards (Schäfer & Zürn, 2021). Almost opposite to the above-mentioned trends toward moralism and political correctness, experts (Lukes, 2008) discuss the emergence of moral relativism and the decline of universally accepted values.

In light of these seemingly paradoxical trends (Nieuwenburg, 2007) the purpose of this article is to discuss the relationship between these critical governance trends and integrity policies. We define critical governance trends as varying trends toward bad governance, or the opposite of good governance (Rothstein, 2012) without necessarily having completed the transition toward a bad governance system yet. How do these trends affect change in the field of integrity policies? And, vice versa: How do integrity policies influence critical governance outcomes?

Looking into this broad relationship is a daunting task. Overall, linking critical governance outcomes with integrity reforms is not a very popular issue. This is strange, as the very purpose of integrity policies is to serve good governance objectives. Contrary to this, it should be expected that critical governance trends are related to a decline of the importance of integrity policies as such. Overall, given the current state of democratic backsliding in many countries, one might expect more interest in the link between governance trends—and the development of integrity policies.

In the past, numerous studies have linked a range of economic, social, and institutional variables with good governance and also with critical governance outcomes, mostly, with corruption in government. Yet, robust evidence on how integrity policies relate to critical governance is largely unavailable (Meyer-Sahling et al., 2018, p. 276). According to Johnson and Fritzen (2021), the good governance agenda lacks a persuasive theory of change and context. Results have been—with a few exceptions—unimpressive.

However, the question of what exactly is the relationship between critical governance outcomes and integrity policies is a fundamental one. Yet it is not at all simple. One difficulty is to accept that many variables influence the outcomes of governance reforms and integrity policies. Moreover, governance and integrity reforms always have various (conflicting) reform effects at the same time. Thus, there is neither a clear causal relationship between governance reform and outcome, neither trends from good to worse, from bad to good, nor between populism and integrity policies (Bauer & Becker, 2021). Therefore, it is difficult to measure the impact of governance reforms on issues like the decline of rule of law, corruption, conflicts of interest, politicization, and organizational injustice. Vice versa, it is also difficult to measure integrity policies and the development of corruption, conflicts of interests, and integrity violations. Overall “the literature provides limited information on the actual number and characteristics of scandals involving integrity violations by politicians” (Huberts et al., 2021, p. 5). The development of integrity indices about the development of integrity violations is only at the beginning (Huberts et al., 2021, p. 5).

To shed more light on the relationship between critical governance and the development of integrity policies, we will take as an example the case of the development of Conflict of Interest policies (CoI) for Ministers (in US terminology: Secretaries). The article presents empirical findings from a comparative study for the European Parliament which was carried out in the year 2020 (European Parliament, 2020). The results were validated and discussed in the European Parliament in December 2020 and during the Portuguese EU-Presidency in June 2021. By conducting this type of empirical research on the CoI systems of 18 EU-Member States, in-depth insight into an extremely complex and politically very sensitive subject could be gained. Because of its longitudinal approach, for the first time, we are also in the position to measure the development of CoI policies and the shift of governance trends in the field of ethics policies over time. The findings of this empirical research incited us to continue with further explorative research which was guided by the following research questions:

Do current critical governance trends lead to a weakening of standards in the field of CoI? Do we observe more shortcomings in the implementation and enforcement of CoI requirements? Or, contrary, does the generalized and inflated use of the term moral scandal, the increased (digital) media visibility of scandals, and the political abuse of moral issues lead to more and stricter rules and policies, as long as these policies are not enforced, and do not “hurt” politicians? Could it be that politicians in all countries call for stricter standards and moral campaigns against the seemingly unethical political opponents (and competing elites) and help populist strategies far more than politicians genuinely committed to fighting anti-corruption and conflicts of interest (Mungiu-Pippidi, 2020, p. 100)?

In the past, numerous studies have linked a range of economic, social, and institutional variables with good governance (Mungiu-Pippidi, 2015, 2020; Rothstein, 2012). Yet, most of this literature overlooked the change of CoI policies in the more recent context of critical governance trends. In the following sections, we first assess the literature about the effectiveness of policy instruments in the field of CoI. Overall, until now, there exists no empirical research on the effectiveness of CoI policies for ministers. This is remarkable, as ministers exercise important positions of power and influence. Second, we explain our methodological approach.

Evaluating the effectiveness of CoI policies in a changing governance context

Comparative research about CoI amongst holders of public service started only recently (Auby et al., 2014; Demmke et al., 2008; Peters & Handschin, 2012; Saint-Martin & Thompson, 2006).

Empirical research in the field is an exception. So far, research about the CoI of ministers represents a “black hole.”

As we will illustrate later on, the EU-Member States struggle to manage, monitor and enforce CoI despite their own increased political, regulatory, and institutional efforts throughout the past decades. CoI policies also require sophisticated and complex examinations into individual motives, individual behavior, and individual decision-making (Stark, 2000).

International evaluations use a variety of sources to assess and compare public integrity, such as expert assessments, surveys of citizens, risk assessments, and data on legal proceedings, sanctions, and fines (Lambooy et al., 2015). However, differently from the field of corruption, no country is actively monitoring the development of CoI, nor whether the policies introduced, achieved the objectives. In fact, it is difficult to know whether certain CoI rules and policies are effective, or not and what are the costs and benefits of conflicts of interest laws (Rosenson, 2006).

Methodology and approach

Our research interest was to analyze the effectiveness of existing rules and policies in place referring to different types of CoI. To be able to carry out a longitudinal analysis about trends from 2008 to 2020, we followed a similar method that was used in an earlier comparative study on a similar topic, i.e., conducting written expert interviews (in line with the approach of elite studies) with public officials from different government institutions to ensure the reliability of our data (Demmke et al., 2008).¹ We also decided to carry out the survey in co-operation with the European Public Administration Network under the umbrella of the EU-Presidency (which is composed of top officials from all countries of the EU and officials from the European Commission). As regards the operationalization of the term CoI, we suggested to the countries a detailed list of 15 different CoI, as the following table shows, reflecting a widened definition of CoI, including pecuniary and non-pecuniary issues, CoI by family members of the Holder of Public Office as well as CoI relating to the public and private lives of office holders (Table 1).

During the period from January to March 2020, a questionnaire was drafted, containing several open-ended and closed questions. The questionnaire was provided to the EU-network to ensure that experts from all EU countries would be consulted as early as possible and to get a chance to pre-test the questionnaire. After internal validation of the survey, ultimately, 17 countries (excluding Germany which responded to the survey by mail) responded to this survey. After completion, we analyzed and filtered all answers and identified those which were either still missing or unclear. In those cases, the respective countries were re-contacted on a bilateral basis in a “third round.”

Applied to our research approach, this meant creating awareness for potential biases in responding to our survey. In fact, all respondents were top officials from central public administrations, government agencies, and anti-corruption bodies. To avoid (distorted) personal statements by top-level respondents to the survey, we cross-checked that the delivered survey answers and data were discussed internally and coordinated with several other persons, anti-corruption agencies, and ministries. Still, we note that top officials are members of organizations with specific reliability,

Table 1. List of potential CoI.

1. Declaration of financial interests and assets	1. Rules on receptions and representations
2. HPO's spouse's activities	2. Accepting gifts, decorations, and distinctions
3. Provisions relating to the declaration of interests	3. General rules on impartiality and conflicts of interest
4. Outside activities: Political activities	4. Specific rules on the incompatibility of posts and professional activities before or during the term of office
5. Outside activities: Honorary positions	5. Restrictions on professional commitments or holding other posts after leaving office
6. Outside activities: Conferences	
7. Outside activities: Publications	
8. Professional confidentiality	
9. Professional Loyalty	
10. Missions, travels	

institutional knowledge, and experience. Experience shows that official responses to empirical surveys differ according to the choice of the target groups. For example, leaders respond differently than technical staff and official sources differ from academic sources. Government responses are often more positive than individual responses by public employees. Moreover, the respondents in our survey exclusively represent official government sources. Thus, we acknowledge the danger of sources of bias when asking higher-ranking officials to provide official data.

To operationalize and to measure the existing policies and instruments in the EU countries, we introduced the term “policy coverage density” which defines the quantitative degree of coverage of conflict of issues by laws, rules, and codes. If a country regulates/manages all Conflict of Interest issues, the country has a high degree of coverage density.

The data gained from the survey was subsequently analyzed with data from different surveys, such as Eurobarometer, Gallup trust polls, Transparency International corruption indices, or Quality of Government data (University of Gothenburg) to inter alia examine the relationship between the policy coverage density, trust, tolerance of corruption, etc. It is worth noting that the issues we measured are very complex social phenomena and can therefore hardly be captured in their entirety by one single index. For that reason, we have as far as possible included different indices to analyze the same question from different angles. For instance, we have measured democracy using the index by the Economist Intelligence Unit and the Bertelsmann Foundation, leading to nearly identical results. This gives us far more confidence in the reliability of our results.

Because of the explorative nature of this paper and the relatively small number of observations (which also varied for some politically sensitive questions), we weren’t able to conduct a full-fledged quantitative analysis relying on regression analyses. The results presented in the following sections are mostly based on descriptive statistics and correlation analysis. Since correlation is not causation, our results should not be mistaken for causal linkages. However, given the explorative interest in how trends toward critical governance and ever more CoI regulation relate to each other and are intertwined, correlation analysis presents clear indications about the nature of this relationship. Additionally, descriptive statistics allow us to decipher patterns within and between the Member States, which is imperative to understand the relation between integrity policies and critical governance and provide a basis for further quantitative inquiry. Due to the small number of observations, the significance levels are not reliable and a 5%-significance level would be too strict to be applied to this case. Therefore, we are often focusing on patterns we observed in individual countries and clusters of countries without necessarily only using statistically significant evidence (e.g., the relation between high policy coverage density and high levels of corruption in many backsliding European democracies). While this may raise concerns about the generalizability of our findings, it doesn’t disqualify the evidence presented for the EU-Member States.

Research hypotheses

In our survey, we operationalized CoI defining a list of 15 different CoI. Because we wanted to provide a longitudinal analysis regarding EU-Member States’ ethics frameworks, we followed almost the same method which was used in a similar survey (with almost identical questions) and approached the same type of respondents as in an earlier comparative study in 2008 (Demmke et al., 2008).

This article is based upon exploratory research since it tries to identify new issues in the field of public integrity that can provide new insights for future research.

We have operationalized the research according to three hypotheses:

- The first H1 is that *overall, countries have a higher coverage density than in 2007*. The first hypothesis is based upon the notion according to which ethics policies are growing in complexity, meaning there will be ever more regulation in place. For example, the concept of Conflict of Interest has changed throughout the decades, moving from a legal perspective to

new areas of life, such as post-employment and spouse's activities. This, in turn, creates pressure for more regulation.

- The second H2 argues that *countries with higher levels of corruption have a higher policy density coverage*. According to the hypothesis, countries with higher levels of corruption regulate more CoI policies. When linking this hypothesis to critical governance, ethics policies can be used as tools fighting political enemies instead of seeking the actual integrity of government in corrupt countries. Furthermore, ethics policies can also be used as a tool to seemingly address critical governance trends, but in reality, reinforcing them through ineffective policies which allow governments to uphold the image of democracy while actually undermining it. This indicates how CoI policies are a moral minefield through moral stigmatization, political weaponry, and moral measurement of persons (Stark, 2000, p. 266).
- Last, the third hypothesis (H3) claims that *Higher levels of coverage density do not condition improvements on good governance indicators (effectiveness, freedom of the press, democracy, rule of law, impartiality, etc.)*. Not all countries are seeking effectiveness through regulation, let alone strengthening democracy or rule of law. Even though reforms in integrity policies are more comprehensive than ever before, it can be questioned whether they really contribute to the principles of good governance but, rather, to critical governance. More regulation does not necessarily entail anti-corruption or less Conflicts of Interest. For some, it might even be in their interest to prevent effective ethics regulation without creating the image of a defective democracy.

Discussion and shortcomings of the data

In this highly sensitive survey, the most important challenge when comparing and analyzing CoI policies for ministers concerned the access to data and obtaining honest answers to sensitive and complex questions. Not only the availability but also the reliability of data was a sore point in the development of this comparative work. Overall, we concluded that no country is generating sufficient, adequate, and accessible data in the field of CoI. Instead of providing data, some countries responded to our survey by adding long lists of existing rules in the field.

In doing this type of research, one also needs to take into consideration the many existing specific features of the national systems, avoidance of different linguistic meanings and definitions, etc. In addition, there are challenges in comparing and analyzing the different (legal, political, organizational, and HR-) instruments in different legal and administrative traditions and many languages.

Survey results and research evidence

After decades of focusing on the adoption of rules, all EU-Member States have started to invest in the institutionalization of ethics policies. This increasing investment by countries leads to a fragmentation of institutional responsibilities, making it more difficult to clarify competencies. Overall, oversight and control tasks are shared amongst various actors like specific ethics and anti-corruption bodies, HR departments, the court of auditors, ombudspersons, and integrity officers. As regards enforcement practices, this also requires the constant adaptation of knowledge and skills of those who oversee the conduct of individuals. However, individualized monitoring is time-consuming and increasingly costly.

These trends must be seen before the background that countries have not only implemented more rules, but they have also implemented more rules on a broad range of CoI issues. Interestingly, more than 30% of national responses considered “political reluctance to sanction” and the monitoring of “the high complexity of individual CoI” as the biggest challenges in fighting CoI (Table 2).

Table 2. Country responses as to the main challenges in managing CoI.

g1 (revolving doors)	Austria, Bulgaria, Czech Republic, Hungary, Luxembourg, Portugal, Romania, Slovenia
g2 (post-employment)	Austria, Belgium, Czech Republic, Hungary, Portugal, Slovakia, Slovenia, Sweden
g3 (lack of monitoring experts)	Austria, Czech Republic, Portugal
g4 (lack of financial resources)	Austria, Czech Republic, Portugal, Romania, Slovenia
g5 (political reluctance to sanction)	Austria, Czech Republic, Portugal, Romania, Slovenia, Sweden
g6 (grey zones)	Austria, Belgium, Hungary, Latvia, Luxembourg, Portugal, Slovakia
g7 (high tolerance for CoI of ministers)	Austria, Portugal
g8 (high complexity of the issues)	Austria, Czech Republic, Hungary, Latvia, Luxembourg, Netherlands, Sweden
g9 (trends toward politicization)	Austria, Slovakia

In the related field of corruption research, we note a positive relationship between Government Integrity and the unacceptability of corruption, confirming the hypothesis that Good Governance and “ethics pay off.” In the field of CoI, we find that countries in the European Union are extremely busy establishing more professional integrity systems by introducing not only more rules, but also by introducing stricter disclosure requirements and by broadening concepts of CoI (e.g., by expanding the term revolving door and personal/spouse/family interest).

How does this relate to findings that there are trends of critical governance? The results of our empirical survey allow for the following conclusion. The development of CoI policies fits with the principles of critical governance because integrity policies are becoming more popular, politicized, and instrumentalized—as long as these policies do not hurt politicians or are effective. Often, CoI policies are symbolic policies since they are (often) not (strictly and independently) enforced upon politicians. These shortcomings in the monitoring and enforcement process can be intentional (politically motivated) or unintentional (because of lack of resources, lack of personnel, time-consuming and complex investigations, etc.).

H1: Overall, countries have a higher coverage density than in 2008

The first hypothesis was confirmed. Overall, countries in the EU regulate CoI more intensively than in 2008. Our longitudinal data shows that nearly every country has more rules and policies in place today than before. Countries also have higher policy coverage on most CoI issues. As such, this means that what was legal a generation ago is considered an ethical violation today. “There are many more laws to be broken nowadays.” (Rosenson, 2006, p. 163) (Figure 1).

As the survey results show, amongst the 15 analyzed CoI policies, every CoI issue also has a higher policy coverage density than a decade ago (Figure 2).

Our survey also confirms the findings of the 2008 study (Demmke et al., 2008) which shows that the Central and Eastern European countries have higher regulated systems than, for example, the Northern European countries. This is important to keep in mind before the background of critical governance trends in many European countries. While one could suggest that other countries like Luxembourg or the Netherlands also have very high levels of policy coverage density, (1) the different understanding of law and code needs to be kept in mind when analyzing the data, and (2) the vast majority of countries with 100% policy coverage density show worrying trends in terms democratic governance and the rule of law. Overall, Sweden stands out as the least regulated system. For example, Northern European countries have no rules in place as regards spouse activities (such as obligations to declare income, or assets), whereas this issue is very densely regulated in Central European countries as well as Continental European countries. This can be explained by the fact that Northern European countries are more careful when balancing privacy rights with obligations to disclosing private interests. This is especially interesting in comparison with the other EU-Member States included in our survey. Countries like Sweden usually rank very high on corruption indices (meaning low levels of corruption) or indices measuring democracy and the rule of law. Additionally, Latvia is one of the only countries to have actually deregulated CoI, while at the same time performing better on the Transparency International Corruption Index than in 2008. This does not suggest that deregulating is the better

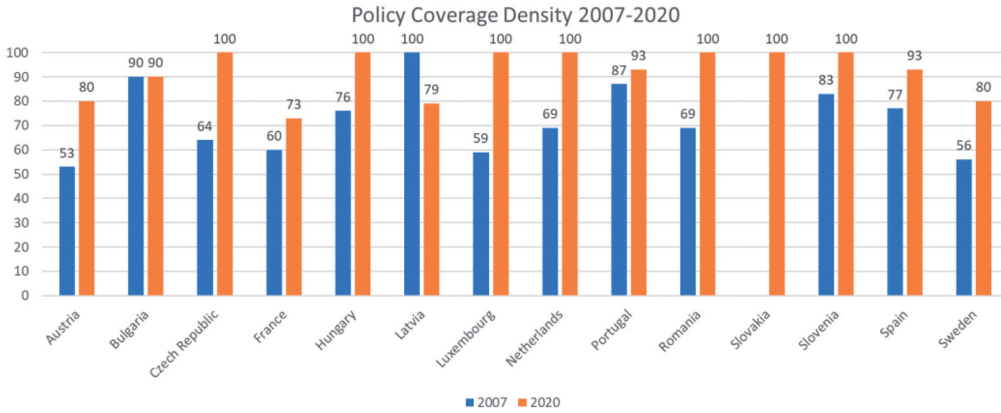


Figure 1. Average policy coverage density by the member state from 2007 to 2020.

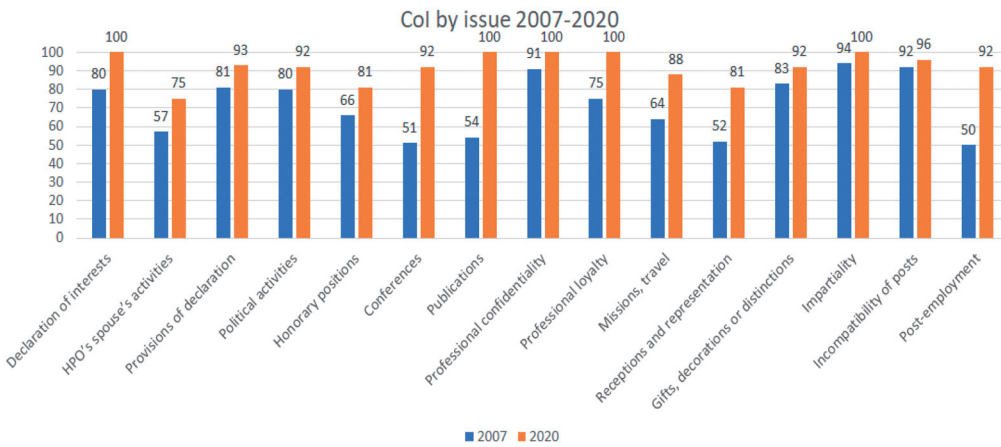


Figure 2. Average policy coverage density by Col issue from 2007 to 2020.

way, but it again manifests that higher regulation levels do not necessarily condition better governance.

Apart from the analysis of the list of all potential CoI issues we also examined the situation as regards the group of most important CoI (see [Table 1](#)) to get more comparable evidence about the core CoI issues. In all countries (except for Luxembourg and The Netherlands), the use of the law is the predominant form of regulation. This shows that countries are still having a strong belief in compliance-based approaches despite the popular rhetoric to which times of regulatory approaches belong to the past ([Figure 3](#)).

Overall, countries that entered the EU in 2004 (and later) have a higher level of policy coverage density than older EU members. Northern European countries have fewer rules and policies in place than the other EU countries. Classical bureaucratic countries (like Luxembourg) have a higher policy coverage density than countries with more managerial-type administrative systems (like the Netherlands). Northern European countries have less regulation in place than other European countries. This can be explained by the fact that citizens in these countries have higher trust in the integrity of government. However, hybrid systems (like the Czech Republic) that are combinations of bureaucratic and managerial elements, had the most regulation.

To summarize, we empirically witness trends toward ever more regulation within the EU-Member, as well as the expansion and “deepening” of CoI concepts. We also observe that

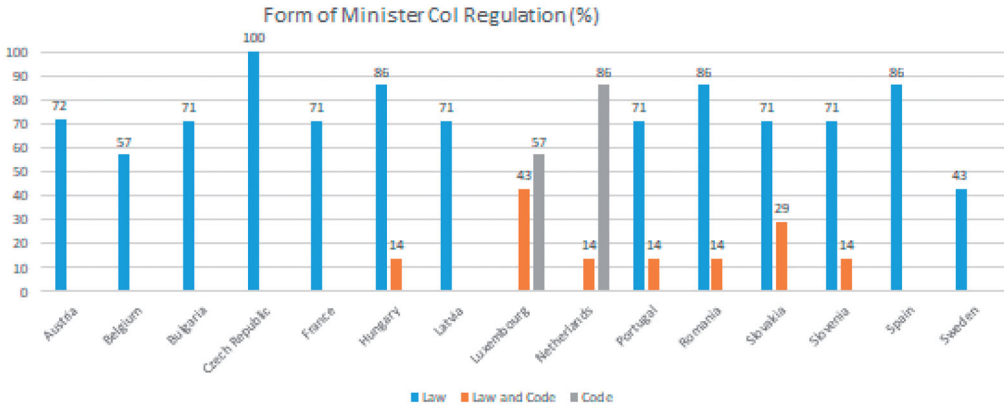


Figure 3. Coverage of most important CoI issues—use of the law.

countries with higher levels of regulation density mostly suffer more from critical governance trends than countries with lower levels of regulation. While there is no evidence for causation between lower policy coverage density and better governance, this result clearly shows that critical governance trends can go hand in hand with a seemingly ever-stricter system of integrity policies, indicating the lack of effectiveness either of the policies themselves or their enforcement.

H2: Countries with higher levels of corruption have more regulation (coverage density)

The second hypothesis was confirmed by the data. The EU-Member States with higher corruption levels have a higher coverage density than countries with lower levels of corruption. The latter can be interpreted differently: (a) more rules and policies are not effective in the fight against corruption and CoI, (b) more rules and policies are a reaction to high levels of corruption and policies and distrust in politicians (Figure 4).

In addition, the higher the policy coverage density is, the more people also believe that corruption is widespread. The higher the policy coverage is for ministers/secretaries, the more people believe that too close ties with politics and business lead to corruption. On the other hand, however, the higher the policy coverage density, the more people believe that anti-corruption measures are applied impartially. And the higher the policy coverage density, the more people believe that corruption is tackled effectively by governments. This can be partly explained by the fact that citizen perception is often prone to contradictions and paradoxes. Nevertheless, we see clear indications that the effects of higher policy coverage density are far from being only in favor of Good Governance.

More intriguing, we note trends toward the politicization of ethics policies, the toleration of CoI of ministers, and reluctance to monitor and sanction CoI of ministers. In this context, our data illustrate that systems with lower democratic standards and less performance as regards the rule of law, accept CoI more easily than systems with high standards. This toleration of CoI also correlates with poor governance performance. Moreover, within the administrations, inspectors and monitoring officials are also tolerant if ministers face CoI. One country mentioned a “too high tolerance for CoI of ministers” and one country “trends toward politicization.” Obviously, these answers reveal a lack of political will and/or too high levels of tolerance against flagrant CoI. Although citizens are highly critical, distrustful, and disapprove of breaches of integrity of elites, this may not prevent them from tolerating many different forms of unethical behavior (Lascoumes, 2014). Sunstein (2021) explains toleration from a different angle: “If people are surrounded by conduct that is morally abominable, or seeing a lot of it, they will not disapprove of, and may even be fine with, conduct that is morally bad (...). That is the power of normal” (Sunstein, 2021, p. 21). Thus, politicians who seek to undermine democratic goals might suggest

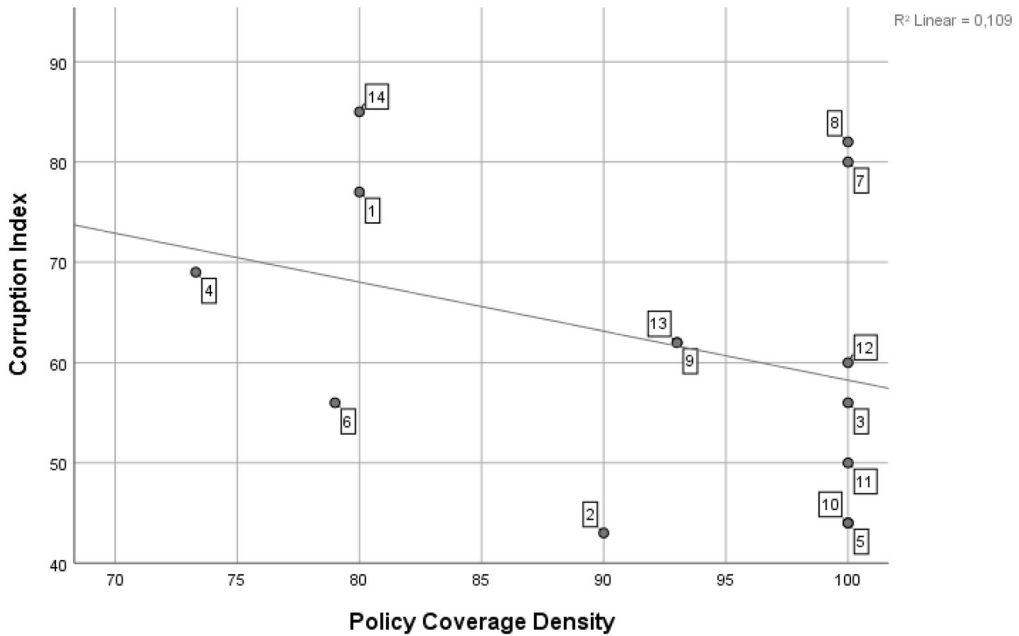


Figure 4. Relationship between policy coverage density and the performance on the corruption index.

that certain restrictions on the right to vote, freedom of the press, or integrity violations are perfectly normal (Sunstein, 2021, p. xii).

While corruption is not the same as CoI, underperformance on corruption prevention can certainly be used as a proxy to draw conclusions about the general approach toward ethical misconduct. Our data show that countries with higher levels of policy coverage density are generally attributed worse scores on the Transparency International Corruption Index, as can be seen in Figure 4. Additionally, these countries do also score low on the Freedom House Index measuring the effectiveness of corruption prevention.

Preventing and reducing CoI is also difficult because of the relationship between Good Governance and the acceptability of corruption. In countries with a higher democracy index, there is also less acceptance of corruption. Also, countries with better safeguards against corruption have generally higher scores on the democracy index. Thus, if countries want to take the fight against unethical behavior seriously, an important precondition for this is to—simultaneously—maintain or strengthen systems of Good Governance. We also note the same logic as regards the situation of the rule of law. The higher the rule of law index of a country, the less corruption is being accepted (Figure 5). This reveals a fundamental problem. Critical governance trends go hand in hand with higher acceptance of corruption and misconduct. As such, critical governance has direct implications for ethics policies.

H3: The level of regulation is not related to Good Governance (effectiveness, freedom of the press, democracy, rule of law, impartiality, etc.)

According to the data, the toleration and shortcomings in the implementation and enforcement of CoI are higher in countries with lower ratings in democracy, rule of law, impartiality, and government integrity.

The EU-Member States struggle to manage CoI despite their own increased political, regulatory, and institutional efforts throughout the past decades. Efforts in monitoring, enforcing, and evaluating (the effectiveness of) ethics policies remain a tremendously difficult task. CoI policies require sophisticated and complex examinations into individual motives, individual behavior, and

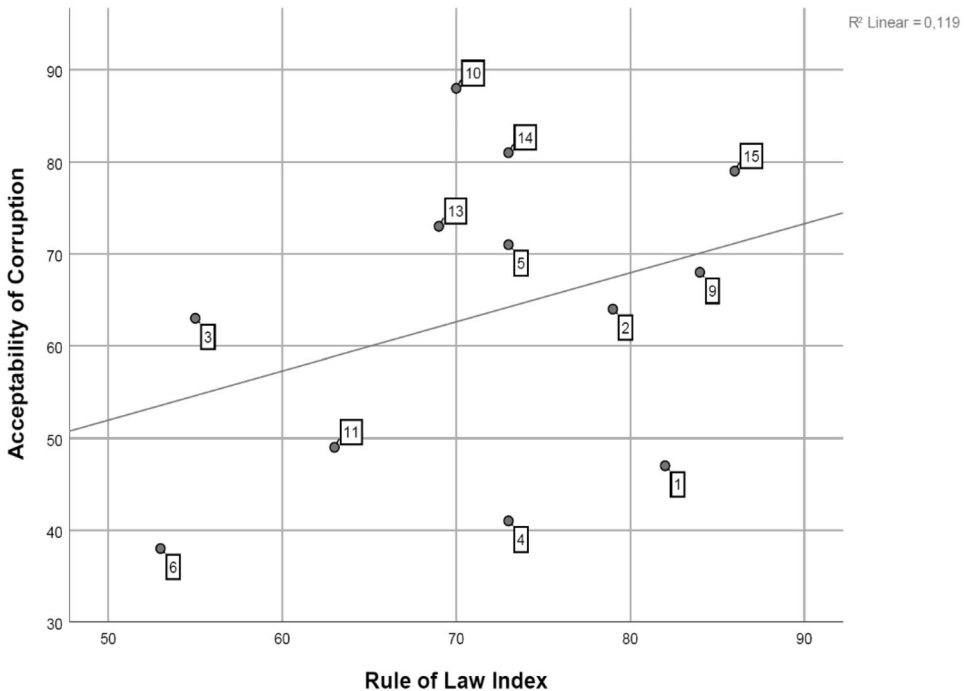


Figure 5. Relationship between acceptability of corruption and state of rule of law. Explanation: 1: Austria, 2: Belgium, 3: Bulgaria, 4: Czech Republic, 5: France, 6: Hungary, 9: Netherlands, 10: Portugal, 11: Romania, 13: Slovenia, 14: Spain, 15: Sweden.

individual decision-making (Stark, 2000). Thus, even if countries intend to implement and enforce CoI policies effectively, this represents a major endeavor. At present, countries do not even know whether conflicts of interest are increasing or decreasing. This confirms a study by Huberts et al. (2021, p. 5) who suggest the development of a political integrity index to measure integrity violations of politicians (because of the limited empirical research on the number and characteristics of violations).

Conclusions

CoI policies address individual misconduct, and not organizational, economical, or institutional causes of misconduct. Thus, differently from anti-corruption policies, CoI policies follow a so-called individualized “bad apples” approach. This contrasts not only with other ethics policies but also with traditional integrity logic that was based on concepts of institutional integrity (Demmke, 2020) and the abstraction of personal integrity. With the introduction of integrity management, the issue of rule violations is personalized to a previously unknown degree (Kühl, 2020, p. 158). Consequently, also implementation strategies follow an individualized approach as regards the monitoring of individual conduct. Managing and monitoring ever more potential sources of bias imposes heavy burdens on professionals and institutions (Rodwin, 2018).

In times of critical governance trends, EU-Member States find themselves in a process in which they constantly add more rules, stricter standards, broader definitions and invest in an emerging ethics bureaucracy. EU countries also introduce ever more ethics bodies, ethics inspectorates, ethics committees, integrity officers, and audit bodies. However, responsibilities are often fragmented, and coordination capacities are lacking. If in the past there seemed to be regulatory gaps and a lack of enforcement, the more recent concern is that some governments have gone overboard in building an elaborate, but fragmented legal and organizational ethics apparatus.

However, this comprehensive and sophisticated ethics framework does not prevent/counterbalance trends toward critical governance. We find that countries with high policy coverage density also suffer from critical governance trends. Another major reason for the ineffectiveness of CoI policies is when political scandals and new conflicts of interests appear, failure is attributed to individuals (and not to structures and processes) and not strict-enough law. On the other hand, tolerance for CoI increases, even if countries put the importance of CoI policies high on the agenda, mostly for populist reasons. Often, CoI of Ministers are not enforced and tolerated, credible and independent monitoring bodies and enforcement mechanisms are lacking.

Thus, we partly agree that current trends toward critical governance fit with trends toward more, tougher, and broader integrity policies. This can be explained, because integrity policies are (increasingly) used as political instruments, abused as political weapons against political opponents, and used as a reaction to media scandals. In these cases, integrity policies can serve many political interests. Still, in many cases, these policies are rather symbolic policies, as they do not “hurt” politicians themselves.

To this should be added the notorious difficulty of implementing CoI policies effectively, whatever is the political context. CoI policies show limited effects in, both, compliance-based and value-based cultures. As regards both approaches, there is growing insecurity about the best regulatory mix, the role of self-regulation, the effectiveness of deterrence mechanisms and sanctions, the quality of regulation, and the need for other political, behavioral, and economical instruments. Next, in all countries, the type of interest that the discourse regarding CoI addressed remained largely pecuniary—hence “objective.” The types of private interests that were addressed were hard, objective, and measurable. Today, definitions of CoI become ever broader. They can be pecuniary, ideological, related to the interests of the spouse-, relatives- and relationships, emotional, linked to different moral constraints, loyalties, concerns, prejudgments, biases, and affiliations (Stark, 2000). This trend contributes to increasing confusion regarding the concept of CoI and the inflation of the concept, making it “a less practical tool” (Rodwin, 2018).

We, therefore, conclude that trends toward critical governance may well be compatible with the increasing importance of integrity policies and—in our case—conflict of interest policies although the effective implementation of CoI policies does not only depend on critical governance trends but as much on other factors that can be linked to the increasing complexity of the concept of CoI in times of governance change.

Note

1. However, in this study, the authors analyzed the so-called regulation density index and examined more categories of staff from a wider group of public institutions.

References

- Anechiarico, F., & Jacobs, J. B. (1996). *The pursuit of absolute integrity*. The University of Chicago Press.
- Auby J., Breen E., & Perroud T. (Eds.) (2014). *Corruption and conflicts of interest*. Edgar Elgar.
- Bauer, M., & Becker, S. (2021). (Eds.). *Democratic backsliding and public administration: How populists in government transform state bureaucracies*. Cambridge University Press.
- Bertelsmann Foundation (2020). Sustainable Governance Indicators. <https://www.sgi-network.org/2019>
- Charron, N., Harring, N., & Lapuente, V. (2021). Trust, regulation, and redistribution why some governments overregulate and under-redistribute. *Regulation & Governance*, 15(1), 3–16. <https://doi.org/10.1111/rego.12277>
- Cooper, C. (2021). Politicization of the bureaucracy across and within administrative traditions. *International Journal of Public Administration*, 44(7), 564–577. <https://doi.org/10.1080/01900692.2020.1739074>
- Dahlström, C., & Lapuente, V. (2017). *Organizing leviathan: Politicians, bureaucrats, and the making of good government*. Cambridge University Press.
- Demmke, C., Bovens, M., Henökl, T., & Moilanen, T. (2008). *Regulating conflicts of interest for holders of public office in the European Union*. Office of Official Publication of the EU.

- Demmke, C. (2020). Governance reforms, individualization of human resource management (HRM), and impact on workplace behavior: A black box? *Public Integrity*, 22(3), 268–279. <https://doi.org/10.1080/10999922.2019.1656960>
- Demmke, C. (2020). Public administration reform over time – Did change lead to a more effective integrity management? *Central European Public Administration Review*, 18(2), 7–91. <https://doi.org/10.17573/cepar.2020.2.01>
- Demmke, C., & Moilanen, T. (2012). *Effectiveness of public-service ethics and good governance in the central administration of the EU-27*. Peter Lang.
- Driver, J. (2005). Moralism. *Journal of Applied Philosophy*, 22(2), 137–151. <https://doi.org/10.1111/j.1468-5930.2005.00298.x>
- Economist Intelligence Unit (2020). Democracy Index 2020. <https://www.eiu.com/n/campaigns/democracy-index-2020/>
- Edelman Trust Barometer (2021). <https://www.edelman.com/trust/2021-trust-barometer>
- European Commission (2021). Rule of Law Report. https://ec.europa.eu/info/policies/justice-and-fundamental-rights/upholding-rule-law/rule-law/rule-law-mechanism/2021-rule-law-report_en
- European Parliament (2020). *The effectiveness of conflict of interest policies in the EU-member states*. European Parliament. Study Requested by the JURI committee.
- Freedom House (2021). <https://freedomhouse.org/report/freedom-world/2021/democracy-under-siege>
- Friedman, S., & Laurison, D. (2021). *The class ceiling, why it pays to be privileged*. Policy Press.
- Hoekstra, A. (2015). Institutionalizing integrity management, challenges and solutions in times of financial crises and austerity measures. In A. Lawton, Z. van der Wal, L. Huberts (Eds.), *Ethics in public policy and management* (pp. 151–169). Routledge.
- Hoekstra, A., & Kaptein, M. (2012). The institutionalization of integrity in local government. *Public Integrity*, 15(1), 5–28. <https://doi.org/10.2753/PIN1099-9922150101>
- Hoekstra, A., & Zweegers, M. (2021). *Integriteitsmanagement en de integriteitsmanager*. Huis voor Klokkenluiders.
- Huberts L., Kaptein M., & de Koning B. (2021). Integrity Scandals of Politicians: A Political Integrity Index. *Public Integrity*. <https://doi.org/10.1080/10999922.2021.1940778>
- Johnson, M., & Fritzen, S. (2021). *The conundrum of corruption*. Routledge.
- Kotkin, J. (2020). *The coming of neo-feudalism*. Encounter.
- Kühl, S. (2020). *Brauchbare Illegalität – Vom Nutzen des Regelbruchs in Organisationen*. Campus.
- Lamboo, T., van Dooren, W., & Heywood, P. M. (2015). *Prime witnesses? Case studies of staff assessments for monitoring integrity in European Union*. Netherlands Ministry of Internal Affairs and Kingdom Relations.
- Lascombes, P. (2014). Condemning corruption and tolerating conflicts of interest: French arrangements regarding breaches of integrity. In J. Auby, E. Breen, & T. Perroud (Eds.), *Corruption and conflicts of interest* (pp. 83–84). Edgar Elgar.
- Lukes, S. (2008). *Moral relativism*. Picador.
- Meyer-Sahling, J.-H., Mikkelsen, K. S., & Schuster, C. (2018). Civil service management and corruption: What we know and what we don't. *Public Administration*, 96(2), 276–285. <https://doi.org/10.1111/padm.12404>
- Mungiu-Pippidi, A. (2015). *The quest for good governance: How societies develop control of corruption*. Cambridge University Press.
- Mungiu-Pippidi, A. (2020). The rise and fall of good governance promotion. *Journal of Democracy*, 31(1), 88–102. <https://doi.org/10.1353/jod.2020.0007>
- Mungiu-Pippidi, A., & Johnston, M. (2017). *Transitions to good governance: creating virtuous circles of anti-corruption*. Edward Elgar Publishing.
- Nieuwenburg, P. (2007). The integrity paradox. *Public Integrity*, 9(3), 213–224. <https://doi.org/10.2753/PIN1099-9922090301>
- Peters A. & Handschin L. (Eds.). (2012). *Conflict of interest in global, public and private governance*. Cambridge University Press.
- Piketty, T. (2017). *Capital in the twenty-first century*. Harvard University Press.
- Piketty, T. (2020). *Capital and ideology*. Harvard University Press.
- Rodwin, M. (2018). Attempts to redefine conflicts of interest. *Accountability in Research*, 25(2), 67–78. <https://doi.org/10.1080/08989621.2017.1405728>
- Rosenson, B. A. (2006). The impact of ethics laws on legislative recruitment and the occupational composition of state legislatures. *Political Research Quarterly*, 59(4), 619–627. <https://doi.org/10.1177/106591290605900411>
- Rothstein, B. (2012). Good governance. In D. Levi-Faur (Ed.), *Oxford handbook of governance*. Oxford University Press. <https://doi.org/10.1093/oxfordhb/9780199560530.013.0010>
- Royakkers, L., Timmer, J., Kool, L., & van Est, R. (2018). Societal and ethical issues of digitization. *Ethics and Information Technology*, 20(2), 127–142. <https://doi.org/10.1007/s10676-018-9452-x>
- Saint-Martin, D., & Thompson, F. (Eds.). (2006). *Public ethics and governance: Standards and practices in comparative perspective*. Elsevier.
- Savage, M. (2021). *The return of inequality*. Harvard University Press.

Sandel, M. (2020). *he Tyranny of Merit*. Allan Lane.

Schäfer, A., & Zuern, M. (2021). *Die demokratische Regression*. Frankfurt, M., Suhrkamp.

Stark, A. (2000). *Conflict of interest in American life*. Harvard University Press.

Sunstein, C. (2021). *This is not normal. The politics of everyday expectations*. Yale University Press.

World Justice Project The WJP Rule of Law Index; Washington D.C.