International Organizations and Government Transparency: Linking the International and Domestic Realms

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In recent years there has been an increased interest in political science in the concept of “transparency.” The literature has emphasized the effects that government transparency can have, especially on democratic consolidation. Yet there has been very little research focusing on the causes of transparency. This study discusses some of the possible factors affecting government transparency and offers several aggregate tests of their relevance. It emphasizes the mechanisms through which governments adopt institutions supporting transparency in order to signal to their societies and to external actors that the information they offer is indeed credible. It argues that such signals are more likely to be offered as the public receives increasing amounts of alternative information from international organizations. The discussion thus links processes taking place at the international level with those in the domestic realm.

The Relevance of Transparency
Political scientists appear to have recently become more aware of the concept of “transparency” and its potential explanatory power. Because of the varied interests in phenomena involving the flow of information, the concept does not appear to be monopolized by any one area of study. Discussions of transparency can be found in studies of international conflict, international organization, environmental politics, monetary policy, trade, corruption, and democratic theory.

In most studies at the international level, government transparency is seen as a factor that enhances cooperation among states and allows for solutions to collective action problems (e.g., Florini, 1997; Stein, 1999; Finel and Lord, 2000:341). In fact, one of the recent explanations offered for the democratic peace finding (i.e., democracies do not fight wars against each other) is based on the transparency of democracies. This is so because negotiations between countries that have “complete information” about each other’s intentions and capabilities are less likely to break down and lead to war. In other words, transparency alleviates the security dilemma and prevents conflict spirals (Finel and Lord, 1999; Ritter, 2000).

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In international trade, the GATT's Trade Policy Review Mechanism was designed as an "exercise in transparency" that encourages more liberal trade policies (Qureshi, 1990:59). In the environmental realm, transparency is also a useful tool that encourages signatories of environmental conventions to comply with the rules of the regime (Mitchell, 1998). This happens, in part, because mechanisms of transparency, such as the OECD's Pollutant Release and Transfer Register, shame polluters to reduce levels of pollution (Florini, 2000).

The globalization of financial markets has brought about discussions of the relevance of transparency in dealing with issues such as international money laundering (Tanzi, 1996). More recently, after the Asian financial crisis, the IMF has emphasized transparency as a common solution to many of the global economic and financial problems (IMF, 1998).

In the domestic realm, government transparency has been discussed as a factor that affects the degree of corruption, as well as economic performance (Kaufmann and Siegelbaum, 1997; Kopits and Craig, 1998; Manzetti, 1999). A recent study of 78 democratizing states over the past 20 years, testing a variety of independent variables, has found that information access is the individual feature that is most reliably significant in explaining economic growth (Siegle, 2001:200).

While economic and political transparency has been touted as especially significant for liberalizing economies and for new democracies, recent events in some of the most democratic and liberal systems have suggested that the issue is relevant for all states. From the refusals of the Bush administration to offer Congress the names of private-sector advisers on energy policy and the stalling of Reagan-era documents under the Presidential Records Act (Blanton, 2002) to the decision of the British government to postpone for another four years the implementation of the Freedom of Information Law (which had already taken decades to pass) (Frankel, 2001), events have shown that the issue of public access to official information has not been entirely solved even in traditional democracies.

In the domestic realm, perhaps most significant, domestic government transparency has been considered to be an important factor contributing to the accountability of democratic government and, implicitly, to democratic consolidation. Democratic theory has long considered that "a key characteristic of democracy is the continued responsiveness of the government to the preferences of its citizens" (Dahl, 1971). Such responsiveness should exist not simply at times of elections, but between elections. Governments need to inform the public of their actions and intentions and offer mechanisms through which officials can be punished for not being representative. Even the most minimal understandings of what democracy entails include the ability of citizens to "complain" (Mueller, 1992) and assume that one should have access to government information in order to know about what to complain.

Thus, transparency of governments toward their societies is seen as a necessary factor of government accountability and responsiveness and, implicitly, of a truly democratic polity (see, e.g., March and Olsen, 1994:162–65). Also, increased transparency leads to greater public trust in government and in the democratic system and, implicitly, to greater likelihood of survival of new democracies. While this study is interested in all aspects of government transparency, it will emphasize the concept as pertaining to democracy and democratic consolidation.

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1 Discussions of this assumption can be found as far back as 1963 when Gabriel Almond and Sidney Verba argued that the survival of democratic institutions is affected by attitudes such as citizens' belief in their ability to influence political decisions. Different facets of this argument can be found in more recent works (e.g., Sartori, 1991; Rose and Haerpfer, 1995:439; Linz and Stepan, 1997).
If transparency is indeed beneficial for democratic governance (as well as for other purposes) how can we have more of it? More specifically, when and how do countries become more transparent?

Surprisingly, there has been little work done to answer this question. The political science literature has tended to focus on the effects of government transparency; there have been few studies on the causes of transparency. Because most authors view transparency as an intrinsic element of democracy, they often assume the correlation between the two to be perfect. Indeed, most attempts to measure transparency have used measures of democracy as surrogates for transparency (see, e.g., Broz, 1999; Schultz, 1999). While the two are indeed related, the correlation is not perfect. This is true whether one focuses on freedom of the press as a reflection of government transparency (Van Belle, 2000:50) or on freedom of information (FOI). The lack of perfect correlation is especially relevant for the period of democratic consolidation. During this time, the sequence and speed with which democratic institutions (including those of transparency) emerge may affect a new democracy’s likelihood for survival.

The few discussions of causes of transparency are generally found in the literature focusing on corruption and press freedom and point to some domestic factors such as political structure (e.g., Geddes and Neto, 1992) or economic determinants (e.g., Nixon, 1965; Kaufmann and Siegelbaum, 1997; Hellman and Kaufmann, 2001). While taking such domestic elements into account, I will focus primarily on an alternative factor affecting government transparency: interaction with international organizations (IOs).

I argue that one of the principal causes of change in domestic transparency (although not the only one) is currently related to the role of international organizations as alternative sources of information. This role has become increasingly relevant as states have become more “transparent externally” (i.e., they have been offering greater amounts of information to international organizations) and as IOs have themselves become more transparent, offering more information directly to the public. Sometimes, the information made public by IOs differs from that released by governments to their own societies. In order to maintain public support, governments adopt institutions of domestic transparency (such as laws on access to information) as signals intended to boost the credibility of the information they offer to their own public.

The following section discusses the concept of transparency as used in this study and differentiates between it and other similar concepts that are often used interchangeably in the literature. I then focus on the role of IOs in increasing domestic government transparency and offer a set of hypotheses related to the link

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2 Austria, Luxembourg, and Germany (at the federal level)—all countries considered to be consolidated democracies—have not adopted FOI laws even now, while the U.K. just adopted one in 2000. In contrast, countries like Brazil, Moldova, Slovakia, and Thailand, which are still consolidating their democratic systems, have already adopted such laws (see Florini, 2000; also see European Commission, 2000; Privacy International, 2001).

3 With the exception of the works on press freedom (e.g., Nixon, 1965), these studies tend to discuss the impact of domestic factors on corruption, and not directly on transparency. At the same time, though, this literature emphasizes that government transparency is a powerful (if not the most powerful) remedy to corruption—an assumption reflected in the fact that the main international nongovernmental organization fighting corruption is Transparency International. This implies that the domestic factors that allow for a greater degree of corruption also create incentives to hide information that would reveal corrupt practices.

4 The mechanism of “export of transparency” from IOs to new democracies has only recently become relevant. IOs did not have as strong a role of “alternative sources of information” in the 1950s or 1960s as they do today because of the lack of transparency of IOs at that time. I argue that the transparency of second-wave democracies was not truly affected by such organizations. It is thus relevant that most of the democracies of the second wave adopted institutions of transparency very late. Italy and Japan adopted their freedom of information laws in 1990 and 1999, respectively, many decades after they became democracies. Germany has still not adopted such a law at the federal level. It is thus only with the third wave of democracy and the increased transparency of IOs that we see such external impact on domestic transparency.
between domestic and external flows of information. I go on to discuss the operationalization of variables and then use the measurements to test the hypotheses across 49 consolidating democracies, over a period of seven years.

I conclude by briefly discussing the relevance of the findings for the design and reform of international organizations. The main argument is that, if increased domestic transparency indeed leads to increased likelihood of survival of new democracies, less inter-state conflict, greater international cooperation, and improved economic performance, it is important to understand which IOs may affect domestic transparency and how they may do this.

The Concept of Transparency

Although the concept of transparency is increasingly found in the political science literature, its meaning is often left murky. In part, this is due to the fact that it is used when referring to different aspects related to information flow. For example, in the literature on inter-state conflict, a state is “transparent” if other states can acquire information about societal preferences and support for government actions (e.g., Finel and Lord, 1999; Schultz, 1999). In the international regimes literature, transparency usually refers to the information that governments offer IOs. In studies of corruption, it can refer to the lack of corrupt practices in a country. While these three understandings of transparency are related, and many countries are indeed transparent in all three understandings, there are also many important differences among such countries with regard to the flows of information.

The literature making use of the concept of transparency is expanding to incorporate an ever-increasing number of issue areas. It has become sufficiently diverse to warrant distinguishing among different types of information flows and their characteristics. I therefore begin by discussing how I will be using the concept of transparency. The emphasis in the present research is on the domestic flow of information as a factor affecting democratic consolidation, but the conceptualization of transparency is applicable to other research issues.

First, in the political science literature, the concept of transparency is used to describe information released by governments to external and domestic actors alike. The current study will distinguish between external government transparency (referring to information released by a government to international organizations) and domestic government transparency (referring to information released by a government to its society). This distinction is relevant because there are governments that may be willing to offer large amounts of information—including sensitive information—to IOs, but are less inclined to offer such information domestically. Conversely, some of the most democratic and domestically transparent political systems are often less inclined to release information to IOs (Mitchell, 1998).

Second, one must distinguish between practices of offering information, on the one hand, and institutions supporting such practices, on the other. This is especially important if we are discussing developments in consolidating democracies, because for many new democracies the two do not necessarily go hand in hand (Kaldor and

5 The increase in interest in the concept of transparency has led to its use in different subfields of political science based on different understandings and definitions. The author has found 12 different definitions of transparency in the Political Science literature. The main differences derive from the area on which the writings focus: corruption, democracy, security, etc. A broader definition of transparency of actor A toward actor B, which would subsume other existing definitions, could be “the ability of B to receive information from A.”

6 East and Central European countries have offered enormous amounts of often very sensitive information to the EU, Council of Europe, and NATO before and after their accession to these organizations. They have done so even when they were less forthcoming with such information to their societies (Grigorescu, 2002). Also, countries that are bailed out by the IMF from financial crises offer much information to the IO, which they do not offer to their own public (e.g., Bangkok Post Editorial, 1997).
Vejvoda, 1997). In some cases, governments may adopt democratic institutions only for purposes of “window-dressing” to formally please external or domestic actors. Such institutions are often badly designed and ineffectively put in practice. Eventually though, even poorly designed institutions can become relevant as democratic forces use them as tools for slowly changing nondemocratic practices. In other words, in the short term, the emergence of democratic institutions is important because it empowers groups supporting further democratic changes against those who want to slow down or even reverse the furthering of democracy (e.g., Huntington, 1991a; Mainwaring, 1992). In the medium and long term, such institutions lead to the strengthening of democratic practices.

This study will join others that focus primarily on domestic institutions supporting the free flow of information. It will do so because it argues that government practices of offering information can be deceiving. During a period of strong economic performance, a government may not have to hide economic information. It may offer much information to the public about policies, their implementation, and their results because it has nothing to fear and everything to gain. But once economic conditions worsen, governments can choose not to disclose information if the free flow of information has not been institutionalized. The same can be said about other issue areas. Such governments are not considered transparent for the purposes of this study even though they may operate as such at particular times. In a transparent system, a politician or bureaucrat acts knowing that his or her actions may someday be discovered by the public because permanent processes allow for it. It is more likely that such an individual will act for “the good of the people” (rather than for him- or herself) than one in a non-transparent system. It is this deterrent effect of institutions that allows governments to truly act as “agents” of the principals (i.e., societies) and that makes the free flow of information relevant to democratic processes.

The interest in information flows as related to processes of democratic consolidation also implies that the study should emphasize the ability of societal actors to acquire information, rather than the government’s offering of information. If “information is power,” and the relationship we are investigating is one in which governments relinquish some of their power to societies as part of the larger process of democratic consolidation, we need to emphasize the institutions that bind governments in releasing information even (or especially) when they would prefer not to (Martin and Feldman, 1998:5).

Last, but not least, we should distinguish between two types of institutions that reduce a government’s domestic control over information. The first refers to legislation pertaining to the obligation of official institutions to release information to the public. The second refers to legislation supporting press freedom—i.e., dissemination of information that has been obtained from the government, as well as from other domestic and external actors. For lack of better terms, the two types of government control over information will be referred to as government “transparency” and “openness,” respectively.

The transparency of governments and the openness of domestic systems are both essential for the free flow of information, for assuring government accountability, and, implicitly, for the process of democratic consolidation. Legislation on access to

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7 In many of the countries where I conducted in-depth studies of the processes of increased transparency (Bulgaria, Czech Republic, Moldova, Romania, and Slovakia), the initial laws on press freedom and access to information were initially ineffective. Yet NGOs (sometimes led by former members of parliament who were instrumental in the adoption of the laws) began running training programs for those who needed to use the laws. They also led campaigns to publicize the new laws and the process through which the public could access government-held information. They even went to court in cases in which governmental institutions did not comply with the provisions of the laws. Overall, they worked to create the precedents for the use of the institutions and, more broadly, to make the institutions more effective.

8 I would like to thank an anonymous reviewer for suggesting this differentiation.
information has little impact on accountability of governments if the information accessed by one individual cannot be disseminated throughout society. Conversely, a “free press” with no direct access to government information needs to base its stories on back channels and anonymous sources. This often leads to mistakes or distortions in reporting and potentially to citizens’ lack of faith in the press, which, in turn, affects the ability of the media to play an effective role in monitoring government actions and holding government accountable (Freedom House, 2000).

This study will focus primarily on government transparency and will only discuss openness as it relates to the processes that affect such transparency. There are two main reasons for this choice. First, while the consequences and, to some extent, even the causes of press freedom have been discussed in somewhat greater depth in the literature (e.g., Nixon, 1965; Van Belle, 1998), access to information has been given far less attention. Second, this study emphasizes government reaction to stimuli from the international realm (i.e., alternative information coming from IOs). By focusing on laws of access to information, one can more easily identify such reactions in consolidating democracies. This is because there is greater variance across such countries with regard to their government transparency and to the moments in which they choose to adopt legislation on access to information than with regard to press freedom.

Figure 1 offers a brief representation of information flows from government to society and to IOs. It illustrates the difference between domestic and external government transparency and between domestic government transparency and openness.9

**Hypotheses of the Increases in Domestic Government Transparency**

Most of the literature discussing domestic government transparency appears to imply that its growth is an expected consequence of the broader process of democratic consolidation. In other words, as democratic institutions and norms develop, there is some form of “spillover” that leads to the adoption of other institutions, including those supporting transparency. Societal actors become more powerful vis-à-vis the government and eventually are able to break the

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9 The system of information flows among actors is, of course, more complex than this figure might suggest. There are a multitude of international and domestic actors that can also be taken into account and information between actors usually flows in both directions. But, for sake of clarity, the figure only includes the three main actors discussed here and the flows of information that are relevant for this study.
government's monopoly over information. This is especially true for democratic institutions and practices supporting press freedom. This is so because, as the press becomes more adept at acquiring sensitive government information, elites realize that it is more difficult to hide such information from the press and, implicitly, from the public. They see diminishing returns from their efforts to block the institutionalization of transparency and, therefore, at some point they "give up," allowing the adoption of access to information laws. This logic leads us to a "baseline" hypothesis regarding the adoption of laws supporting government transparency.

H0: Legislation supporting government transparency is more likely to be adopted in countries where other domestic institutions, especially those supporting press freedom, have been adopted.

In addition to the role of other domestic institutions, this study will discuss the possible role that IOs can have in a government's domestic transparency. The hypothesized role of IOs in increasing government transparency is not one of the traditional ones often attributed to IOs: such as "condition-setters" (e.g., Schmitter, 1996:29–31) (emphasized by realists) or "norms exporters" (e.g., Finnemore and Sikkink, 1998; Checkel, 2000) (on which the constructivist literature generally focuses). Such mechanisms are not yet in place. IOs have set down only very weak conditions with regard to transparency for their members or prospective members. When they have requested greater government transparency, they have focused on narrow issue areas such as the defense budget (in the case of NATO), the environmental realm (in the case of the EU or UN Economic Commission for Europe), or some economic data (in the case of the IMF). Moreover, the mechanism of exporting norms of transparency from IOs to states is a weak one. The main reason for the lack of a direct IO role in increasing government transparency is that some of the traditional democracies (generally seen as the driving forces behind condition-setting and norm export) have not themselves adopted institutions and practices of transparency (Grigorescu, 2002).

Yet international organizations allow for an indirect process that leads to greater domestic transparency. This process involves IOs as generators and providers of information. Although this emphasis on information flow through IOs and its relevance for alleviating problems of "cheating" and encouraging cooperation was initially considered as characteristic of the Neoliberal Institutionalist approach (e.g., Keohane, 1984, 1989:2), it has come to be accepted even by those who disagree with other tenets of this approach (see, e.g., Grieco, 1988).

The increasingly complex tasks IOs need to accomplish have led them to collect an ever-greater amount of information from member states and prospective members. In order to achieve the objectives for which they created IOs or for which they join existing ones, governments sacrifice some sovereignty by surrendering control over certain information they hold. The literature suggests that the amount of information flowing from governments to IOs has increased over the years (Florini, 1998; Mitchell, 1998; Stein, 1999).

Recently though, another important trend has emerged at the IO level: the increased transparency of IOs themselves toward societal actors. This has been the result of their changing role. In the past, it has been argued that the opaqueness of IOs allowed them to develop and become more powerful, i.e., affect people's lives to a greater degree (Keohane and Nye, 2002). This success has drawn greater public attention to their roles and has spurred interest in applying democratic principles to IOs and not just to states (see, e.g., Dahl, 1999; Woods, 1999). One

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10 It has been argued that such demands have led to information disclosure mechanisms dealing with only very narrow issue areas and that such transparency has not "spilled over" into other realms (Rodan, 2000).
argument has been that, if IOs affect our lives so much, they need to become more accountable and transparent directly to societies. The demands for their greater accountability are reflected in such diverse events as the Maastricht Treaty’s defeat in a Danish referendum in 1992 (as well as its near defeat in other member states) and public demonstrations in Seattle, Washington, DC, Prague, and Nice against the WTO, World Bank, IMF, and the EU.

IOs have slowly begun to respond to such demands. The European Union (Deckmyn and Thomson, 1998; Bunyan, 1999), the Council of Europe (Council of Europe, 2000), the U.N. Security Council (Kenna, 2000), the World Bank (Udall, 1998), IMF (IMF, 2002), and regional development banks (Nelson, 2001) have all begun changing their policies on disclosure of information to the public. Due to the greater openness of IOs, the media now picks up much information about countries directly from IOs rather than from domestic sources. The fact that the foreign press corps in Brussels, where two of the most important and complex organizations (the EU and NATO) have their headquarters, is the largest in the world has been interpreted as a reflection of the increased relevance of such IOs for the public (Davis, 1998).

The practice of using IO information by the press is spurred by the fact that IOs often hold (and release) comparable information about different countries. Journalists find such information especially appealing because it puts their own government’s achievements and failures in a broader context.

I argue that this role of alternative source of information that international organizations have assumed has increased the pressure on governments to become more transparent. They are in a sense caught in a “two-level information game.” The more information they offer to IOs, the more information about government action and intentions is likely to be passed on to societal actors. This poses the dilemma sketched in Figure 2. The opening of a previously insignificant channel of communication between IOs and societies has intimately linked domestic (arrow 1 in Figure 2) and external (arrow 2 in Figure 2) flows of information from governments. Governments need to decide how transparent they will or need be domestically given their external transparency and, conversely, how externally transparent they should be, given the domestic implications.

I hypothesize that the growing flow of information from IOs increases the likelihood that governments will allow for (or even push for) the adoption of legislation supporting transparency. This can happen in two ways. On the one hand, political elites may allow for the passage of laws increasing transparency in a particular year because they recognize that they do not have a monopoly over information anymore and that their societies can now receive information directly from international organizations. There may thus be a threshold for each country at which a majority of political elites recognize that it is not worth maintaining opaqueness because their societies “find out anyway.” I therefore hypothesize that

\[ H_1: \text{Countries with greater levels of information flows from IOs to societal actors are more likely to adopt laws supporting domestic government transparency than those with low levels of flows.} \]

The press also uses other external sources of information. Thus, international NGOs and the foreign media are often cited by the domestic press. While the amount of information reaching societal actors and originating from NGOs and the foreign media depends solely on the openness of the political system, the information arriving from IOs is of particular interest because it also is a function of the relationship between the government and the IOs of which it is or aspires to be a member. It is for this reason that I focus on flows of information from IOs.

The presence of this logic was confirmed by some of the members of parliament, government officials, and NGO representatives I interviewed in 2000 and 2001 in Bulgaria, Czech Republic, Moldova, Romania, and Slovakia. These countries have adopted legislation on access to information in the past two to three years.
A second mechanism, conducive to the adoption of institutions supporting transparency, emphasizes the sudden increase in the amount of information flowing from IOs to societal actors rather than its level. If the process through which more information is made available to the public is gradual, elites may slowly become accustomed and adapt to the “new realities” of losing control over information and might not perceive the need to change legislation pertaining to information flow. It may in fact be certain “shocks” (i.e., rapid increase in the flow of information from IOs) that draw the attention of political elites and change their cost-benefit calculations. Elites in new democracies, with relatively brief reputations for truthfulness, might, for example, want to adopt instruments of transparency to signal both domestic and external actors that they do not fear the release of information because “they always tell the truth.” I argue that many of the recent laws on access to information were adopted for such signaling purposes. Several examples offer useful illustrations of this process.

In Romania, a cyanide spill near the town of Baia Mare in January 2000 led to a severe environmental crisis. As the spill affected neighboring Hungary and Yugoslavia, the incident picked up international dimensions and an inter-IO team was dispatched to study the event. The EU-led task force for the appraisal of the accident offered a less than flattering report on the Romanian official response to this event (Baia Mare Task Force, 2000). More important though, it quickly launched a program for “Public Information and Participation” through which it made the information on the ecological disaster directly available to Romanian NGOs and the general public (Savulescu, 2000). As some of the information released by the task force differed from the little information released by the local and national authorities, the Romanian government realized that it had a credibility problem and decided to signal that its information will be credible and verifiable, at least in the future. It did so domestically by quickly adopting legislation on access to information in the environmental realm. It also sent a signal to external actors by ratifying the Aarhus Convention (dealing with public participation and access to information in the environmental realm) in July 2000 (UNECE, 2001). Moreover, a few months later (and just before the general elections), authorities quickly put together a working group made up of members of parliament, government officials, and NGO representatives in order to discuss the adoption of a broader law on access to information.

In Thailand, at the beginning of the financial crisis of 1997, the government continued its long-held practices of “opaqueness” toward the public. Its lack of credibility, especially after the seriousness of the crisis became apparent, led one journalist to welcome IMF intervention, not so much because the IO could solve the financial woes of Thailand, but rather because it would finally offer the Thai public
relevant information on the extent of the crisis and on the government’s actions.\(^{13}\) By July 1997, the lack of credibility of official government information led to the adoption of a freedom of information law in Thailand. This law was not the direct result of IMF demands for transparency (which focused only on the economic realm). Rather the law can be interpreted as a “signal” by the Thai government that future information it offered would be “verifiable” and at least as credible as alternative information emerging from IOs.

In the late 1990s there were multiple reports of South Africa’s powerful arms' industry selling weapons to countries under UN embargo. The press appeared to be more skeptical about initial accusations when they were based on information coming from foreign press sources or from international NGOs. In such cases, the South African government simply denied any of its own wrongdoings and did not appear to take actions to boost its own credibility because it probably did not perceive it had truly lost any. It was only after several UN Security Council reports in the 1997–1999 period showed that South African companies had sold arms to Angola and that official restraints on these actions had not been adequate\(^{14}\) that the government began sending signals intended to boost its credibility both domestically and internationally. For example, in November 1998, South Africa introduced a resolution in the UN General Assembly on the improvement of coordination of international effort against illicit trafficking of small arms (Selebi, 1998), thus signaling its support for transparency in arms sales. In October 1999, it boasted that it was the first country to post details on its arms sales on its Department of Defense website (Streek, 1999). By the summer of 2000 (soon after an additional UNSC report mentioned, once more, South African arms sales to Angola), South Africa adopted a comprehensive freedom of information law.

It is not suggested here that the FOI law in South Africa was the direct result of a crisis of trust generated by the aforementioned UNSC information. In fact, the information did not even appear to reach the level of a full-blown scandal. But sudden increases in alternative (and condemning) information offered by IOs added to existing problems of the government’s credibility (Paton, 1999) and to the perceptions that it needed to regain public trust.

The preceding examples show that governments often feel the need to prove to their societies, as well as to external actors, that the information they provide is credible. In order to boost the credibility of the information, they may decide to adopt “signals of transparency.” These signals are more convincing if they involve the adoption of institutions and not simply the ad-hoc offering of information. The latter is not as effective in signaling commitment to transparency and does not offer governments the necessary credibility they are seeking.

Crises of trust can certainly emerge without the existence of alternative information received from IOs. Many scandals that spurred the adoption of laws on access to information were based on domestic sources of information. The U.S. example, where the Freedom of Information legislation appeared during the Vietnam War, and was then strengthened after the Watergate scandal, is relevant in this respect. This study suggests, though, that the increased flows of information from IOs to society are an additional potential cause of crises of trust, and,

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\(^{13}\) The editorial argued: “If in the course of their mission in Thailand, the executives of the International Monetary Fund establish what is going on here, we would appreciate if they spread the word. ... The increasing frequency with which organizations and institutions of foreign origin are showing that they have an idea about what is happening in Thailand indicates that political leaders are being less than free with the flow of information on the domestic front” (Bangkok Post Editorial, 1997:8).

\(^{14}\) While the reports indeed blamed individual businessmen for the infringements of the embargo, they also criticized the lax South African government controls at airports and “selective applications on travel bans for Unita officials” (see, e.g., SAPA Editorial, 2000) and expressed UNSC expectations to clamp down on illegal arms sales. (See, e.g., Fabricius, 1997.)
therefore, there is an increased likelihood that laws on access to information are passed in order to regain public trust.

The mechanism, described above, implies that the increase in the flow of information from IOs to societies (arrow 2 in Figure 2) explains the adoption of institutions supporting domestic government transparency. Thus the third hypothesis to be tested is

**H2:** Countries with greater increases in information flows from IOs to societal actors are more likely to adopt legislation supporting domestic government transparency than other countries.

### The Dependent Variable: Domestic Government Transparency

The lack of a common understanding of the concept of transparency (as well as the problems involved in measuring information flows) has led to problems in its operationalization. Indeed, there have been very few actual attempts to measure transparency. A study by Finel and Lord (1999) testing the impact of “state transparency” on inter-state conflict (defined as the ability of state B to determine the intentions of state A) offers one of the few such measures.15 Another measure of transparency that has been made available through the impressive efforts of the NGO “Transparency International” is, in fact, a measure of corruption.16 The two measures are intended to help assess the likelihood of inter-state conflict and corruption, respectively. But they do not adequately reflect information flows in terms of democratic consolidation—the main concern of this study.

As mentioned earlier, the emphasis here on transparency as a factor affecting democratic consolidation determines its measurement. Domestic government transparency has been defined as the existence of institutions that allow any citizen to gain access to information held by government. It is therefore operationalized using an ordinal measure that can take three possible values reflecting the status of access to information legislation in a country, at a certain moment in time. Domestic government transparency was coded “0” when there was no specific law allowing for access to government information. Countries in which comprehensive laws on access to information were in place were coded “2.” In order to score a “2,” the laws on access to information needed to meet five specific conditions:

1. laws make clear that access to information is the norm and exemptions are to be resorted to only in exceptional cases.
2. laws protect the right to access information held by local and national government institutions.
3. laws include a precise definition of the exemptions to the right of access.
4. laws include provisions for an independent review of denials of access to information.
5. laws provide for minimal (or no) fees for the requested information.

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15 The measure used by Finel and Lord is useful for the purposes of that study, for which domestic transparency was relevant as long as it reflected the ability of external actors to access information about internal debates. According to this measure, a state is considered transparent if it met at least two of six conditions in three categories: debate, control, and disclosure. For the purpose of the present study, the operationalization employed by Finel and Lord is not very helpful because it does not allow one to differentiate among new democracies that have very similar levels of government transparency according to this measurement.

16 This measure is one solely of “practices” and not of institutions. It is based on surveys that reflect the perceptions of businesspeople, academics, and country analysts. Countries like Singapore, with very low democracy scores, are considered to be very “transparent” (or, at least, to have little corruption) according to this measure. Moreover, one can argue that the measure of corruption that is offered by TI is largely a reflection of transparency in the economic realm and not in others (e.g., in the environmental or political one) (Transparency International, 2001).
The five conditions were identified in legal scholarship as the main elements that are considered relevant to laws on public access to information (Martin and Feldman, 1998; Mendel, 1999; Mock, 2000). If at least one of these conditions was not met (but the country nevertheless had a law on access to information), the case was coded “1.” This intermediate score was considered necessary because it reflects a common stage through which many new democracies pass before reaching a fully functional system of access to information. For example, in Argentina or India laws on access to information emerged initially at the local level while, in other countries, they first applied only to national institutions and only afterwards to local institutions (Article 19, 2001). In Brazil, it took several years to make an existing freedom of information law fully functional by adding a precise list of exceptions to the law. In the Czech Republic, it also took several years for the cost of information retrieval to be fully regulated. Before that, the exorbitant fees requested by official institutions when offering information made the law difficult to use by the general public.

In all of these “intermediate” cases, one can argue that, although the systems were not as transparent as those coded “2,” they were more transparent than those coded “0.” More important, the intermediate systems can be viewed as a step toward greater transparency because they have at least a partial effect on the flow of domestic information. Thus, even though government officials feel they can get away with refusing to offer information to the public by using the loopholes left by the legislation, they realize that, in the not-so-distant future, the laws supporting transparency may be refined and their present acts may be under greater public scrutiny. The deterrent effect of transparency may thus still have an impact on their behavior. For this reason, the operationalization of transparency across three possible values was preferred to a simpler dichotomous operationalization.

The Independent Variable: Information Flow from IOs to the Public

The main argument of this study is that the external flow of information (i.e., from governments to international organizations and then from IOs to society—arrow 2 in Figure 2) affects government incentives to adopt institutions of domestic transparency. This flow of information is a function of the information that IOs hold (collected directly from member states—i.e., external transparency—but also from NGOs and other sources) and the rules and regulations governing public access to information (i.e., IO transparency). Moreover, the information actually received by societal actors depends on the ability of the press to disseminate information to the domestic public (i.e., on the openness of the domestic system). The main independent variable of this study needs therefore to reflect the amount of IO-released information that the press can use to criticize the government.

An initial operationalization of the flow of information from IOs to society was developed by measuring the proportion of news (published in a country) that uses information originating from an international organization and that is critical of the government. This measure taps into the main effect that is being hypothesized to lead to greater domestic transparency: As international organizations release more information directly to societal actors, the domestic press often uses the incoming information as a basis for its criticism of the government. It is due to such criticism that governmental elites might decide that they need to send signals of increased transparency to regain their lost credibility.

Unfortunately, existing sources did not allow for the collection of comparable cross-national data for all countries of interest and for a longer period of time. Instead, I structured a set of “plausibility probes” examining all four regions of the world where the “third wave of democratization” has spread: Africa, Asia, East Europe, and Latin America. At least two countries were chosen from each area: one in which domestic transparency had increased substantially in the past five years.
and one in which domestic transparency had remained about the same. The countries selected were: Namibia and South Africa, Philippines and Thailand, Bolivia and Brazil, Bulgaria, Czech Republic, Moldova, Poland, Romania, and Slovakia. It is noteworthy that almost all of these countries had similar “democracy scores” in the Polity and Freedom House dataset. Thus, the differences in their domestic transparency are not fully explainable by differences in their general domestic structures as reflected in the two datasets. To count the number of news articles that use IOs as the source of their critiques of government across all countries in the study, I used the World News Connection.

In all countries in the study, at some point during the five years under scrutiny, information received from IOs led to heated domestic debates. The “plausibility probe” was helpful in identifying some of the most important press stories that may have affected the debates and the calculations of elites involved in the adoption or nonadoption of institutions supporting transparency. These issues were later pursued in interviews in some of these countries to assess in detail their relevance to the mechanisms that may have led to greater transparency.

More important for the purposes of measuring the information flow from IOs to society was the discovery that not all IOs were equally relevant for the domestic press. Although the initial analysis took into account more than 50 international organizations, the data showed that, in fact, only 17 were reported as the source of almost all negative information about governments. The 17 that were considered relevant each provided information that generated at least 5% of the total “negative” articles for all 12 countries or at least 1% of total “negative” articles from one region (i.e., continent). Together, these international organizations served as the source for 98.3% of the total number of negative news stories based on information coming from IOs for the 12 countries across all years. Among the best known international organizations that offered very little (or no) information used by the press to critique governments were the International Atomic Energy Agency, Interpol, the World Trade Organization, APEC, Mercosur, and the Organization of African Unity.

Using the number of international organizations that “matter,” a second measure of information flow from international organizations was constructed. This measure was based on the total number of news releases and communiqués issued about a country by the 17 IOs. The list of organizations considered for this measure is offered in Appendix I.

These organizations offer press releases in different formats. Some organizations offer complex studies of a country, some release much of their information through speeches of the main officials leading the organization, others offer Public Information Notices (IMF), and some offer declarations (e.g., ASEAN), while others issue reports (like the EU) or assessments (as the World Bank). In most cases, though, the publication of such documents is accompanied by press releases. When

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17 Most countries were chosen because they recently adopted laws supporting transparency or because they had not, even when there were indications of domestic debates on the adoption of such laws (e.g., the Philippines). The selection was also based on the availability of news sources through the World News Connection (see below). The emphasis on cases from East Europe is due to possible impact of the high complexity and large number of IOs in the area.

18 For more information on the sources used by WNC and the types of articles that are translated, see http://wnc.fedworld.gov/home.html. The WNC offers translations into English from the major newspapers, transcripts from Radio and Television programs, and newswire reports from more than 100 countries around the world. For the selected countries, the articles translated were available (without any major interruptions) beginning with 1996. There are obvious differences in the number of articles reported by the WNC for the different years and countries. Countries like Bolivia or the Czech Republic have barely 300–500 articles translated for 1996 while for Thailand and Poland in 2000 there are more than 2,000 articles/year. Overall, though, I assumed that, for any given country, throughout an entire year, the proportion of negative articles based on IO information found in the WNC should not be affected by cross-country collection biases and should accurately reflect the impact of “external information” on domestic debates.
they are not (as in the case of some World Bank or OECD reports), such documents were added to the total number of press releases referring to a country.

This measure is preferable to the previous one because it allows for collection of comparable data for all countries in this study. On the other hand, it too has several shortcomings. Some press releases, for example, are more relevant for domestic audiences than others. Moreover, most of the press releases are not critical of governments and therefore might not be considered to have an impact on the cost-benefit calculations of elites deciding to open up domestically. Nevertheless, it is assumed that the total amount of information released by IOs is a relatively good gauge of the amount of potentially critical information that is released by them.

The independent variable (information flow from IO to society) was constructed by multiplying the total number of press releases offered by the seventeen IOs with a measure of openness of the systems. The openness of the system was operationalized using scores from the annual press freedom surveys of Freedom House. The interaction effect of the two components—represented by the full arrow (#3) and the dotted arrow (#4) from Figure 1—is relevant because both components are necessary in order for information held by IOs to reach the public. The two main independent variables of this study are thus the level of such information flow (IOINFO) and the relative growth rate of the flow of information (i.e., "shocks" resulting from increases in press releases about their country at a given time—IOINFOGROW).

Other Variables

The two independent variables of the model testing the "baseline hypothesis" (i.e., the level of democracy and press freedom) were operationalized using already constructed measures and datasets. Two of the most often used measures of democracy are available from the Polity data (which tends to emphasize the existence of democratic institutions) and from the Freedom House data (which emphasizes "political rights and civil liberties"). The latter was chosen for the measure of democracy because it includes data for all seven years in this study (while Polity does not include data for the most recent years). In order to evaluate the robustness of the findings, the hypotheses were also tested using the Polity data for the years for which data were available (1995–1998). As mentioned earlier, freedom of the press was operationalized using the measures and data from the NGO Freedom House.

Another domestic factor considered here is the degree of privatization. In the 1990s, we witnessed a worldwide spread and intensification of the processes of privatization. The literature focusing on these processes notes that political elites who perceive that their control over certain levers in the economy is diminishing are more likely to take advantage of the period of flux and engage in corrupt practices (Hellman, 1998). One can expect that such practices are more likely to encourage lack of transparency because the elites will want to maintain their ability to profit from the process of privatization. Thus, greedy elites adopt a "get it while you can" attitude (Geddes and Neto, 1992:657) and attempt to profit as much and as long as possible from the process of privatization. Conversely, during privatization processes, it can be hypothesized that NGOs fighting corruption will perceive that the stakes are higher and increase their efforts for the adoption of institutions of transparency.

Under both assumptions, it is expected that, in periods in which countries are undergoing intense processes of privatization, the incentives to adopt institutions supporting transparency are altered. The measure used to operationalize the

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19 The scores reflecting press freedom can take values from "0" (most free) to "100" least free. For a description of the methodology used to develop these measures see Freedom House (2001).
degree of privatization (PRIVATIZATION) was the absolute value of funds (in billions of dollars) that a government received as a consequence of selling state property. The data on privatization were taken from the World Bank annual reports. The measure does not control for the magnitude of economies. Thus, a country like Argentina would score very high, even in a year in which the government is not privatizing a large proportion of state property, while a country like Latvia will have low scores even during an extremely active year. Such a measure is preferable for this study because, for a government official from Argentina or Latvia who can potentially gain from his position—and thus from less transparency—it is the sheer amount of money that is passing through his hands during the process (rather than its relative value in terms of the country’s GDP) that may make the difference.

Domestic political structure, especially the institutionalized relationship between the executive and the legislative branches of government, is also considered relevant for the level of government transparency in a country and for the adoption of legislation supporting government transparency. One can expect that in systems in which the legislative branch of government is often controlled by a different party than the executive branch (like the U.S.), it is likely that the legislative branch will adopt laws supporting the transparency of the government (Blanton, 2002). It is in their interest to have more information about the actions of their political opponents. In the Westminster-type system, where the legislative and executive branches of government are controlled by the same political party, it is less likely that the legislature will have incentives to adopt laws supporting government transparency. One should expect that, in such a system, the party would offer the legislative branch the opportunity to receive relevant government information even without laws supporting transparency. There will be fewer incentives for a parliament to adopt laws that make information available to other parties or to the public. On the other hand, some observers have argued that even in Westminster-type systems there can be instances in which legislators will have incentives to adopt laws on transparency. For instance, this may happen when the governing party perceives it will soon lose the elections and consequently its power and wants to weaken the next government by making its actions more visible.

The variable EXECLEG, reflecting the control that the governing party has over the legislature, was operationalized as follows: political systems in which the same party controls, during a specific year, both the legislative and the executive branches were coded “0.” Systems in which the legislative and the executive branches of government are controlled by opposing parties were coded “2.” Many systems, though (the majority in fact), are “mixed” ones, in which the government is formed by a coalition of parties. In these cases no party has complete control either of the legislature or of the executive. This last type of system was coded “1.”

The variable WEALTH was also introduced as a control variable. As in the case of freedom of the press (Nixon, 1965), it is argued here that wealthier countries are less inclined to worry about the relatively high costs involved in gathering, processing, and offering information and are therefore more likely to adopt laws on access to information. In poorer countries, the costs involved in government agencies offering information to the public may discourage the adoption of such

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20 An illustration of this is that two of the oldest democracies, the U.S. and the U.K., are at the extremes of the timeline in adopting freedom of information laws. While the U.S. (in which the executive and legislative are often controlled by different parties) was among the first to pass such a law (in the 1960s), the U.K. (where the executive and legislative are always controlled by the same party) was one of the last “first-wave democracies” to do so (in December 2000).

21 This view was offered by some of the members of parliament that I interviewed in Moldova and Slovakia—two countries that have recently adopted institutions supporting transparency.

22 The data were based on two sources: “Elections around the world,” at http://www.electionworld.org, and the sections of “Election Watch” in the Journal of Democracy.
laws. Also, it may be that in poorer countries, the public has a greater incentive to request information about government and policies because the level of satisfaction with government actions is lower than in richer countries. Moreover, in poor countries the role of IOs in spurring domestic transparency may be diminished because the press has a more difficult time acquiring information released by IOs. WEALTH was operationalized by using the data for GDP/capita from the World Bank annual reports.

**Testing the Hypotheses**

**The Models**

Several models were employed to evaluate the likelihood of adoption of laws on access to information. The first model is intended to test the “baseline hypothesis,” i.e., that countries are likely to adopt institutions supporting transparency when they have high levels and high increases in their democracy and press freedom scores. (H0)

**Model 1:**

\[
ADOPTFOI = \text{CONSTANT} + B_3 \times \text{DEMOCGROW} + B_4 \times \text{DEMOC} + B_5 \times \text{FREEPRESSGROW} + B_6 \times \text{FREEPRESS} + B_7 \times \text{PRIVATIZATION} + B_8 \times \text{EXECLEG} + B_9 \times \text{WEALTH} + B_{10} \times \text{LAGADOPTION}
\]

ADOPTFOI is a measure reflecting the adoption of legislation on access to information from year T - 1 to year T; DEMOCGROW is a measure of the growth in the democracy score from year T - 1 to T; DEMOC is the measure of level of democracy in year T; FREEPRESSGROW is a measure of the increase in press freedom from year T - 1 to T; FREEPRESS is a measure of press freedom for year T; PRIVATIZATION is a measure of the rate of privatization from year T - 1 to year T; EXECLEG is the measure of control by one party over both the legislative and the executive branches of government in year T; WEALTH is the measure of GDP/capita of the country in year T; LAGADOPTION, the lagged dependent variable, was introduced to correct for serial autocorrelation.

Model 2 tested the impact of the levels of information flows from IOs to societies and of the increases in such flows. (H1 and H2) The model controlled for all domestic variables used in model 1. This allows us to evaluate the impact that IO information has on domestic transparency, in addition to the impact that domestic variables already have.

**Model 2:**

\[
ADOPTFOI = \text{CONSTANT} + B_1 \times \text{IOINFOGROW} + B_2 \times \text{IOINFO} + B_3 \times \text{DEMOCGROW} + B_4 \times \text{DEMOC} + B_5 \times \text{FREEPRESSGROW} + B_6 \times \text{FREEPRESS} + B_7 \times \text{PRIVATIZATION} + B_8 \times \text{EXECLEG} + B_9 \times \text{WEALTH} + B_{10} \times \text{LAGADOPTION}
\]

IOINFO measures the flow of information from international organizations to the public in year T. It represents an interaction effect between the total amount of information publicly released by IOs (TOTAL) in year T and the likelihood that the press will use such information to criticize the government (FREEPRESS) in that year. Thus, IOINFO = FREEPRESS* TOTAL. IOINFOGROW reflects the growth in information about a specific country that is made public by IOs from year T - 1

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23 For example, the press from the Republic of Moldova, one of the poorest countries of East and Central Europe, cannot afford to send correspondents to the headquarters of the main IOs as other countries in the region do. Also, due to lack of funds and a poor telecommunications infrastructure the press in this country even has difficulties accessing IO information available on the Internet. These factors may lead to a smaller impact of IO information on national debates as in the relatively wealthier countries in the region. This argument was suggested by NGO representatives and members of parliament from Moldova interviewed in May 2001.

24 Model 2 was also tested with controls for country and year fixed effects.
Models 1 and 2 were evaluated by employing ordered probit estimates with robust standard errors adjusted for clustering on countries. These two models test if the growth and level of the independent variables throughout one year can account for the growth in domestic transparency for the same year. The hypothesized mechanisms leading to the growth of domestic transparency must obviously be fast-acting if such a relationship would find support when testing the two models. Indeed, I argue that many adoptions of laws on access to information are quick reactions to the crises of government trust triggered by information received from IOs. This is possible because in most cases the draft laws on access to information are available for long periods of time. In the United Kingdom and the United States, for example, the efforts to pass a FOI law took several decades (Foerstel, 1999; Frankel, 2001). Similarly, in new democracies such as Thailand and South Africa, the process that led to the passage of FOI legislation had begun years before the crises of trust emerged. Therefore, officials who wanted to signal their credibility had draft laws on access to information already available and only needed to quickly pass them through their parliament—a process only necessitating several months.

But there are also instances in which no such ready-made laws were available. In such cases we should expect the effect of the information released by IOs to trigger a growth in domestic transparency only after a longer period of time, necessary for the completion of the legislative process. Therefore, an additional test of hypotheses 1 and 2 introduced a one-year lag of the independent variables.

This test is also useful because it can offer additional confidence that the causal arrow goes in the hypothesized direction (i.e., growth of external information flow leads to growth in domestic transparency). This is important because one can also expect that the growth in domestic transparency can lead to growth in the amount of information flowing from IOs to society. This is because more domestically transparent governments may have less to hide from IOs given that external actors can already easily access information from such countries, and thus, such governments are prepared to offer more information to IOs in the first place. This eventually leads to a greater amount of information released by IOs about these countries. This leads us to an alternative hypothesis:

**H3:** Countries with increases in domestic transparency will experience increases in the flows of information from IOs to their societies.

Model 3 was used to test this alternative hypothesis. Also, similar to the test of model 1, an additional model introduced a one-year lag in model 3 because it was expected that, in many cases, the effect of domestic transparency on external information flows was not simultaneous.

**Model 3:**

\[ \text{TOTALGROW} = \text{CONSTANT} + B_1 \times \text{DEMOCGROW} + B_2 \times \text{DEMOC} + B_3 \times \text{FOIADOPT} + B_4 \times \text{FOI} + B_5 \times \text{FREEPRESSGROW} + B_6 \times \text{FREEPRESS} + B_7 \times \text{PRIVATIZATION} + B_8 \times \text{EXECLEG} + B_9 \times \text{WEALTH} + B_{10} \times \text{LAGTOTALGROW} \]

TOTAL is a measure of the amount of information about a specific country made public by IOs in year T. TOTALGROW is the growth in the total amount of information released by IOs about a specific country from year T – 1 to year T. FOI reflects the existence of access to information legislation. LAGTOTALGROW is the lagged dependent variable, introduced to control for serial autocorrelation. All other variables are the same as those used in model 2.

Model 3 was tested by using pooled time-series cross-sectional analyses using panel-corrected standard errors. The technique was used even though it is recognized that the number of years available for the analysis (six) is smaller than the minimum of ten years suggested as being necessary in the literature (Beck,
In order to attenuate the possible misinterpretations of this lack of data, the model was also evaluated using ordinary least square regression with robust standard errors.

**Case Selection**

As mentioned above, the focus of this study is on transparency as related to the process of democratic consolidation. Therefore the cases were chosen to be “all consolidating democracies” across the seven-year time span, 1995–2001.

The specific temporal domain for the study derives from both theoretical and practical considerations. Theoretically, the main mechanism hypothesized in this study to alter domestic transparency—the growth in the transparency of such international organizations as the EU, the IMF, and the World Bank—becomes a recognizable trend in the early to mid-1990s.

With regard to the selection of states, three conditions must be met for an entity to be considered a consolidating democracy and be included in this study. It must be (1) a state, (2) democratic, and (3) consolidating its democracy during the period under study.

As to the first condition, only political entities recognized as states by IOs have been chosen. Because the study is ultimately about the impact of international organizations on government transparency, it cannot take into account entities incapable of relations with IOs. The only consolidating democracy excluded by this condition is Taiwan.

The condition of being a democracy is operationalized using Ted Gurr’s and Keith Jaggers’s Polity IV dataset. Studies using the Polity data have employed various thresholds to identify democracies. For current purposes, I adopt two of the more commonly used. In the literature, researchers have tended to identify states with democracy scores greater or equal to six or seven in the Polity dataset as democracies (e.g., Jaggers and Gurr, 1995; Schultz, 1999:251). To assess the robustness of my findings, I employ both thresholds.

The third condition for inclusion—that states be new or consolidating democracies as opposed to consolidated ones—is operationalized as follows: First, traditional democracies from the first and second waves of democratization are screened out by excluding all countries with a democracy score of six or higher in 1973 (the last year before what is considered the beginning of the “third wave of democratization”). Second, all countries with scores of nine or ten continuously for the period 1986–1995 (the decade preceding the temporal domain for this study) are excluded. This eliminates four countries that were frontrunners in the third wave of democracy. Overall, based on the above conditions, 49 countries were included in the study. A list of the countries is offered in Appendix II.

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25 From a practical perspective, the 1995–2001 time frame allows one to more easily collect data necessary for hypotheses testing. The IO press releases (necessary for the measure of external information flow) are generally available from the IOs’ websites in readily searchable forms beginning in 1994 or 1995. Also, beginning about 1995, data on privatization in these countries and on freedom of the press are more complete.

26 In fact, aggregate tests indicated that the total number of IO press releases pertaining to the 49 countries more than doubled from 1995 to 2001 (from 986 to 2122).

27 The ten-year period was chosen to allow for two electoral cycles. Some analysts consider democratic consolidation to have been achieved once two free and fair elections have taken place or after a government loses an election or gives up power in a peaceful manner (see, e.g., Przeworski et al., 1996:50–51). The ten-year period is intended to cover such developments.

28 These were Greece, Papua New Guinea, Portugal, and Spain; all of which began to democratize in the mid-1970s.

29 A “test” of the face validity of this operationalization is that almost all the countries chosen by this method are identified by Samuel Huntington (1991b) as “third-wave democracies.” Several countries that became democratic after the publication of Huntington’s book and that meet the criteria for this study have also been included.
Results and Implications

The results of the tests for models 1 and 2, focusing on the adoption of access to information legislation, are offered in Table 1. It is interesting to note that while the levels of democracy and press freedom (which were tested together as well as separately because of the high correlation between the two) are indeed significant indicators of the increase in domestic transparency, the increase in democracy and in press freedom were not. DEMOCGROW and FREEPRESSGROW were not significant even when testing model 1" which excludes the levels of democracy and press freedom (considering that the levels of the two variables are strongly correlated with the increases in the variables). They were also not significant predictors of the growth in domestic transparency when introducing a one-year lag. Ho, stating that the adoption of access to information laws is simultaneous in democracy and in press freedom were not. DEMOCGROW and FREEPRESSGROW were not significant even when testing model 1" which excludes the levels of democracy and press freedom (considering that the levels of the two variables are strongly correlated with the increases in the variables). They were also not significant predictors of the growth in domestic transparency when introducing a one-year lag. Ho, stating that the adoption of access to information laws is simultaneous in democracy and in press freedom does not appear therefore to be supported by the statistical tests. This suggests that, if indeed there is a “spillover” from other democratic institutions, from press freedom to domestic transparency, such a process is a slow one.

Nevertheless, it is interesting to note the significance of the level of democracy and press freedom. They suggest that the mechanisms that lead to the adoption of access to information legislation are more likely to take place in more democratic countries and with higher degrees of press freedom. In other words, the level of

30 These results are not offered in Table 1. For full results please contact the author.
democracy and press freedom appear to be “permissive factors” rather than “causal” factors leading to the adoption of FOI laws.

Overall, model 1 does not offer much insight into the causes of adoption of FOI laws. One can assume that the possible “crises of trust” that emerge are caused by a series of elements that are not captured by the model. One possible exception is the variable measuring the degree of privatization. Table 1 shows that this variable is significant (at least in model 1 that includes only domestic independent variables) and is positively correlated with the adoption of freedom of information legislation. This offers support to the argument that in years in which the process of privatization is intense, societal groups intensify their efforts for the adoption of FOI legislation in order to avoid possible corrupt practices that often go hand-in-hand with the selling of state property. It also suggests that during intense processes of privatization, scandals revealing corrupt practices are more likely to emerge.31 Such scandals can trigger crises of government trust and lead to the adoption of FOI laws.

More important, model 2 shows that another possible explanation for the crises of trust (and implicitly for the adoption of freedom of information laws intended to signal credibility) is the increase in the flow of information from IOs to societies (IOINFOGROW). This variable is also significant in model 2’ which introduces a one-year lag. This suggests that, as more information released by IOs reaches societal actors, and as some of this information is used to criticize governments, the crises of government trust are more likely to emerge and freedom of information laws are more likely to be adopted.

Hypothesis 1 (referring to the relevance of the level of flows of information from IOs to societies) is also supported by the significance of the variable IOINFO (in model 2). This suggests there might be a certain level of external information flow from which government elites conclude that they have lost their monopoly over information and are, therefore, likely to allow for the adoption of FOI laws. Overall, the variables reflecting the level and increase of information flows from IOs to the public, from model 2, add to the explanatory power of model 1 which includes only domestic variables.

Model 2’ (which includes a one-year lag) suggests that the adoption of laws on access to information comes after the growth in external information flow. This offers support for the causal direction of hypothesis 2. This finding is relevant because the tests of model 3 (Table 2) suggest that the adoption of FOI laws is not a significant factor accounting for the increases in external flows of information. The sudden growth in information offered by IOs about a country appears to be rather the result of the organization’s increased interest in a specific issue related to that country.

Taken together, models 2’ and 3’ suggest that the growth in external information flows comes before the growth in domestic transparency. This finding does not necessarily imply causality, but it does offer at least some plausibility to the main argument of this study. As more IO-released information flows toward societal actors (arrow 2 in Figure 2), the cost-benefit calculations of domestic elites are altered and the probability of adoption of institutions of transparency increases.

The significance of information flows from IOs to societies in accounting for the adoption of institutions of domestic transparency is a robust finding of these tests. It is significant even when controlling for other factors considered in the literature to affect government transparency. The significance stands for both European and non-European countries, as well as by considering a narrower definition of “democratic” (i.e., a different cut-off point for the DEMOC measure).

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31 For example, in Bulgaria, the law on access to information was, in part, a reaction to scandals related to corrupt practices in the process of privatization.
Table 2. Increase in Information Released by IOs, 1995–2001

<table>
<thead>
<tr>
<th>Variable</th>
<th>Model 3</th>
<th>Model 3' (one-year lag)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adoption of FOI legislation (FOIADOPT)</td>
<td>2.63</td>
<td>3.54</td>
</tr>
<tr>
<td></td>
<td>(4.44)</td>
<td>(6.14)</td>
</tr>
<tr>
<td>Existence of FOI legislation (FOI)</td>
<td>6.46*</td>
<td>9.00*</td>
</tr>
<tr>
<td></td>
<td>(2.73)</td>
<td>(4.71)</td>
</tr>
<tr>
<td>Change in democracy score (DEMOCGROW)</td>
<td>.470</td>
<td>1.11</td>
</tr>
<tr>
<td></td>
<td>(1.55)</td>
<td>(1.85)</td>
</tr>
<tr>
<td>Level of democracy (DEMOC)</td>
<td>1.49</td>
<td>.360</td>
</tr>
<tr>
<td></td>
<td>(1.38)</td>
<td>(1.46)</td>
</tr>
<tr>
<td>Growth in press freedom (FREEPRESSGROW)</td>
<td>.190</td>
<td>.064</td>
</tr>
<tr>
<td></td>
<td>(.195)</td>
<td>(.267)</td>
</tr>
<tr>
<td>Press freedom (FREEPRESS)</td>
<td>.105</td>
<td>.059</td>
</tr>
<tr>
<td></td>
<td>(.153)</td>
<td>(.170)</td>
</tr>
<tr>
<td>Degree of privatization (PRIVATIZATION)</td>
<td>0.46e-3</td>
<td>1.18 e-3</td>
</tr>
<tr>
<td></td>
<td>(0.58e-3)</td>
<td>0.66e-3</td>
</tr>
<tr>
<td>GDP per capita (WEALTH)</td>
<td>1.65e-3**</td>
<td>2.87e-4</td>
</tr>
<tr>
<td></td>
<td>(5.41e-4)</td>
<td>(5.41e-4)</td>
</tr>
<tr>
<td>Control over executive and legislative (EXECLEG)</td>
<td>10.55**</td>
<td>2.62</td>
</tr>
<tr>
<td></td>
<td>(3.09)</td>
<td>(3.72)</td>
</tr>
<tr>
<td>Lagged dependent variable (LAGTOTALGROW)</td>
<td>−.257</td>
<td>−.332</td>
</tr>
<tr>
<td></td>
<td>(.247)</td>
<td>(.353)</td>
</tr>
<tr>
<td>Constant</td>
<td>−17.63</td>
<td>−2.69</td>
</tr>
<tr>
<td></td>
<td>(16.62)</td>
<td>(17.91)</td>
</tr>
<tr>
<td>Adjusted R square</td>
<td>29.44</td>
<td>28.14</td>
</tr>
<tr>
<td>N</td>
<td>294</td>
<td>245</td>
</tr>
</tbody>
</table>

Unstandardized coefficients with OLS standard errors in parentheses.

**Significant at .01 level; *significant at .05 level.

Overall, these tests suggest that governments of new democracies are more likely to become transparent domestically when other democratic institutions are in place, especially when institutions supporting press freedom have emerged. In other words, governments will institutionalize public access to information when the domestic balance of power shifts in favor of the groups advocating transparency. When civil society (including an independent press) is strong enough, we can expect access to information legislation to be passed.

Nevertheless, as the examples of traditional democracies such as the U.S. and the U.K. suggest, even when such “permissive factors” are in place, it may take decades before the initial equilibrium (i.e., the lack of institutions of transparency) shifts and institutions are finally adopted. In many cases it takes certain shocks to trigger the process leading to increased domestic transparency. In some countries such shocks have been generated by domestic developments alone. In the U.S., the Watergate scandal led to improvements in the access to information legislation. In Ireland the impulse that triggered such legislation came from a scandal involving food poisoning while in Japan it came from scandals related to official “entertainment” expenses and HIV contamination of the blood supply (Blanton, 2002).

This study has argued that IOs have recently emerged as an important alternative source of information for the public and have thus increased the likelihood for government scandals (or, at least, distrust of government) to emerge. Governments have a harder time hiding information from their societies and are, thus, even more likely than before to find it necessary to adopt access to information laws to boost their credibility.

This finding is important because it suggests a relevant additional policy tool for the support of democratic consolidation. If we want to increase the likelihood of the
many new democracies to survive, we should find ways to increase their transparency. While it may be easier to encourage less powerful states to adopt institutions of transparency, it is much more difficult to do so for countries like Russia or China where the U.S. and its democratic allies cannot influence domestic evolutions as easily. If membership or prospective membership in transparent IOs encourages the governments of such countries to become more open and accountable to their societies, we can and should encourage IOs to become more transparent. Some IOs have not changed their policies on public access to information (Audley and Florini, 2001:5). But others have slowly begun to do so and this study argues that the interconnectivity of information flows leads IO transparency to have a positive impact on the processes of democratic consolidation worldwide.

Appendix I: International Organizations Considered for the Measure of External Information Flow

African Bank
Asian Development Bank
Association of Southeast Asian Nations
Council of Europe
European Bank for Reconstruction and Development
European Union
Inter-American Development Bank
International Monetary Fund
Organization of American States
Organization of Economic Cooperation and Development
North Atlantic Treaty Organization
Organization for Security and Cooperation in Europe
Southern African Development Community
The United Nations (with separate measures for
    United Nations Development Program and
    United Nations High Commissioner for Refugees)
World Bank

Appendix II: Countries Considered in Study for 1995–2001 Period

Albania            Guyana            Panama
Argentina          Haiti             Paraguay
Armenia            Honduras          Philippines
Bangladesh         Hungary           Poland
Benin              Latvia            Romania
Bolivia            Lithuania         Slovakia
Brazil             FYR Macedonia      Slovenia
Bulgaria           Madagascar        South Africa
Central African Republic Malawi           South Korea
Chile              Mali              Sri Lanka
Czech Republic     Mexico            Thailand
Dominican Republic Moldova         Turkey
Ecuador            Mongolia          Ukraine
El Salvador        Mozambique       Uruguay
Estonia            Namibia           Zambia
Fiji               Nepal
Guatemala
References


