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The end of the world as we know it – public ethics in
times of de-standardization and individualization

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Abstract

Current governance and managerial trends emphasize context-oriented and best-fit approaches, de-standardization and the role of individual discretion in decision-making. We discuss the results of a European-wide study on the effectiveness of Conflict of Interest (CoI) policies for Ministers in a de-standardized context. Our results show trends towards individualized and sophisticated policies and approaches in the field of Col. Policies are also becoming more bureaucratic and complex. The implementation of these policies tends to suffer from shortcomings. These shortcomings generate doubts as to whether ethics policies have become more effective.

KEYWORDS Governance; Good Governance; Public Management Reform; Ethics; Moral Relativism

Introduction

Over the past decade, public management in Europe has constantly evolved. An ever-increasing body of rules and codes has made the management of ethical violations more complex and sophisticated. In almost all countries, traditional hierarchical, bureaucratic and standardized public administration systems have changed into new more individualized, de-standardized and fragmented models of public administration. These de-bureaucratization trends have not lead to less formalism or fewer administrative burdens. In fact, it is far from evident whether the new trends have been effective.

The purpose of this article is to discuss the relationship between de-standardization trends in the field of public management and their impact on the effectiveness of ethics policies in preventing and managing ethics violations and increasing trust in public office. We take the case of Conflict of Interest (CoI) policies as a particular example. De-standardization is defined as increasing variability and decreasing uniformity of public management practices and responsibilities (Demmke 2020). We argue that current de-standardization and individualization trends generate the emergence of a new ethics bureaucracy and produce ever new shortcomings in the implementation of ethics policies. Ethics policies do not \textit{per se} become more effective.
Anti-corruption efforts in democratic states ‘have been unimpressive’ (Johnson and Fritzen 2021, 6). Current research in the field of public service ethics even concludes that corruption is on the rise (Mungiu-Pippidi 2020) and the fight against corruption is not successful (Johnson and Fritzen 2021). In addition, national public management reforms differ and outcomes of reforms are very context-specific, especially in central and eastern European countries (Mazur 2020). The interaction between the public and the private sector, the political and the administrative level and between Ministers, advisers, and civil servants is constantly changing and becoming more complex. Consequently, claims are being made of trends towards more politization, conflicts of interest and corruption (Hustedt and Houlberg-Salomonsen 2017; Halligan 2021). ‘Globally, the demand for management and policy consulting expertise from governments, public sector organizations and transnational agencies has grown steadily since the early 1990s’ (Sturdy et al. 2020). For some years, a shift has been taking place from a stable and institutionalized policy advisory system to a more politicized, pluralized, flexible and ad hoc policy advisory system (Van Den Berg 2017). In addition, there is a large group of private, commercial advising and consulting agencies (the so-called ‘invisible public sector’) that advise the government (based on their strategic interests).

In many countries, trends are towards a decline in trust, democracy, justice, transparency and rule of law. These trends cannot be limited to the so-called illiberal democracies (Schäfer and Zürn 2021, 50).

Looking into the relationship between public management reform and ethics is a daunting task. Given the current state of ‘democratic backsliding’ in many countries, one might expect more interest in the link between governance trends, HRM reforms and outcomes in the field of public ethics, too (Bauer 2021). Bringing awareness into this link is even more important given the recent trends in Human Resource Management (HRM) towards more de-standardized and individualized HR approaches.

When linking public management with ethics, in the past, experts focused their attention on the relationship between bureaucracy and corruption (Rauch and Evans 2000; Dahlström, Lapuente, and Teorell 2012; Dahlstöm and Lapuente 2017) or the effects of (new) public management reforms on ethics (Frederickson 1996, 1997, 1999; Kolthoff 2007; Maesschalck 2004; Rauh 2018).

In the meantime, reforms in both, public management and in the field of public service ethics have grown in complexity and are not the preserve of legal and political science scholars anymore. Instead, these issues are dealt with in governance theories, management science, organizational theory, behavioural economy, leadership theory, organizational justice, motivation theory, social cognitive theory, moral development theory, philosophy, organizational behaviour, law, artificial intelligence, digitalization and identity politics.

Also, our case study of CoI illustrates a growing complexity of ethics policies. Originally, CoI used to be a legal concept that (exclusively) applied to professional activities. As a matter of legal doctrine, a CoI arises only when interests, activities, decisions, or relationships compromise the loyalty or independent judgement of civil servants, or holders of public office. CoI arise in public sector ‘when a public official has private-capacity interests which could improperly influence the performance of their official duties and responsibilities’ (OECD 2003). Today, CoI can be treated as a borderline concept between law, politics, economy, sociology, organizational behaviour, behavioural sciences, (conflicting) value management and morality, which raises
questions on whether law and traditional compliance-based approaches can be effective in fighting against CoI. Defining CoI is getting more difficult since the concept can be understood as an umbrella term containing tensions between different roles and functions. Nowadays, countries manage CoI in a very de-standardized and individualized context. Different CoI rules, policies and management practices apply for different government levels, institutions and different holders of public office.

The interest in the link between de-standardization and ethics has not kept pace with the growth of interest in the other fields of public management and public service ethics. The era in which obedience, hierarchical decision making, and treating everyone the same way was considered sufficient to treat everybody fairly no longer holds (Ben-Sharar and Porat 2021). The age of standardization was well suited for the belief in and practice that equal treatment for all is fair treatment. However, modern organizations along with ethnic, racial, gender, and age diversity have challenged elected officials and administrators around the world to rethink how to treat people differently and yet to be fair (Menzel 2011, 122).

Consequently, not only diversity and identity politics have become popular, but also the personalization of law (Ben-Sharar and Porat 2021) and de-standardized management practices. Therefore, a new challenge is to design effective systems under decentralized and individualized conditions that combine the efficiency and service capacity of decentralized organizations with the uniform and legalistic nature of hierarchical organizations (Peters and Pierre 2003, 6). Decentralization, delegation, and autonomy have been key features of public management reforms for decades. The belief, often drawn from the literature on management in the private sector, was that giving managers greater autonomy would lead to the more effective accomplishment of the desired outcomes, to improvements in productivity, and to a sharper focus on targets, employee and organizational performance (Coggburn 2005). It is not surprising that reformers advocated a ‘let managers manage’ approach, the dominant assumption being that managers will know the right thing to do.

Until today, there is little to no research on the effectiveness of ethics policies in a de-standardized and individualized setting. Will ethics policies become more effective? Or vice versa: Could it be that de-standardized ethics policies lead back to more (ethics) bureaucracy?

In the literature, the link between new public management reforms, ethics and CoI was often seen as critical, because of a too strong focus on managerial and economical values, instead of public values (Andersson and Anechiarico 2014). As a result, these trends downplay the importance of other values and principles such as quality, fairness, equality, and impartiality.

Experts have been equally critical of the connection between bureaucracy and ethics. Linking the two issues is still highly relevant. No country worldwide has completely abolished all bureaucratic features, as defined by Weber (Demmke 2020). Moreover, no government has privatized the delivery of all public tasks, no public administration (today) works as a private company, and no public institutional system entirely emulates private sector practices. Therefore, in all countries worldwide, despite ongoing reforms, government institutional frameworks are still perceived as being different compared to those applied in the private sector.

In their seminal study, Dahlström and Lapuente (2017) concluded that countries with classical (bureaucratic) governance systems (closed Weberian structures) do not perform well in three indicators of the quality of government: corruption, government
effectiveness, and, as a proxy for administrative reforms, the prevalence of performance-related pay in the public sector. For a measure of closed Weberianness, the authors rely on data from the Quality of Government Expert Survey (Dahlström, Dahlberg, and Teorell 2012). They use several items related to the recruitment of officials, the existence of a career structure, and the existence of specific employment laws (Dahlström and Lapuente 2017, 49). In employment features, one indicator measures the existence of lifelong careers, and the other the ‘protection mechanism’. The latter indicates whether it is common that public employees are protected by specific employment laws.

Findings suggest that more regulated, inflexible, and closed systems do not perform as well as more open, post-bureaucratic, and managerial systems (Dahlström and Lapuente 2017, 37, 38). These findings coincide with past popular managerial trends that emphasize the need for de-bureaucratization, flexible forms of governance, openness, de-standardization, the role of individual discretion in decision-making, and organizational structures and processes that differ from formerly standardized and rigid administrative patterns.

Most importantly, the authors note that there is no significant correlation between closed Weberian bureaucracy and corruption. According to the authors, neither lifelong careers in the public sector nor the enjoyment of special employment privileges seems to make the public administration of a country less corrupt (Dahlström and Lapuente 2017, 68). Moreover, the protection of the bureaucracy through specific employment laws and the provision of lifelong careers does not correlate with government effectiveness (Dahlström and Lapuente 2017, 68). Mungiu-Pippidi (2020) confirms the above-mentioned results that countries with more hierarchical decision-making structures and a higher power distance index in organizations (Hofstede, Hofstede, and Minkov 2010) have higher levels of corruption.

The difficulty with this type of analysis lies in its simplicity, its state-centred approach, a focus on traditional administrative typologies thinking and the assumption that countries can be compared based on a limited number of selected indicators. Another problem is the assumption that closed, rigid and standardized (Weberian) administrative models still exist. We claim that – in the meantime – also formerly closed Weberian systems have integrated many de-standardized and ‘open’ features (e.g. in the field of public employment, pension policies, pay systems, working time, job security, recruitment policies and training policies) and have developed towards hybrid systems. Most importantly, in all countries worldwide, governance, organizational and HR-reforms have led to more differentiation, de-standardization and individualization. While introducing new governance and administrative innovations, countries have based these on their own cultural, economical, technological, social, institutional and linguistic foundations instead of copying former universal or international models.

Overall, current organizational reforms also vary from policy to policy and are influenced by various HR strategies and work systems. Standardized governance and organizational types, like closed Weberian models, are unlikely to be found in the real world. Different public policies are managed within different organizational cultures. Each form of work organization tends to be associated with particular work systems, work styles, and is different amongst sectors and occupational categories (Arundel et al. 2007).
In our paper, we are interested in understanding better the link between individualized, de-standardized and flexible public management models and ethics policies. How did the discussed trends impact ethics policies? As we will argue, whereas new forms of governance have become more de-standardized, ethics policies have become more bureaucratic, professionalized, institutionalized, complex and cost intensive. This altogether presents a highly contradictory scenario with very uncertain effects in the field of ethics. It is therefore an intriguing question whether trends towards new de-standardized modes of governance have contributed to more or less effective ethics policies?

**Linking organizational typologies with ethics**

The organizational theory claims that organizational settings influence people’s way of thinking and their behaviour, and hence the content of public policy. Therefore, an organizational theory approach of integrity policies assumes that it is impossible to understand integrity policies without the way public institutions work and without analysing how they are organized and their modes of working. Accordingly, institutional integrity can be defined as a quality of institutions that is supposed to promote the quality of public employees (Kirby 2020).

For a long time, in the field of public management and also in the field of public service ethics, there was little interest in the discussion about the effects of institutional design, public management reforms and ethics policies. One explanation for this is that ethics policies were largely input-driven, which means that politicians focused on the adoption of ever more rules and codes, but much less on investments in the effective implementation and enforcement of policies. In the 1980s, Transparency International was the first body to promote the concept of ethics infrastructures and ethics regimes. This was a reaction to the existing ‘implementation gap’ in the field. Following this, the OECD started to adopt toolboxes, guidelines, and practical manuals for decision-makers and public officials (Maesschalck and Bertok 2008; latest OECD 2020). Moreover, the demands for better ‘Ethical Leadership’ and the institutionalization of integrity policies became popular. As long ago as 2000, Paine published *Does Ethics Pay?* and discussed the added value of ethics management such as the positive link between ethics and organizational performance (Paine 2000).

Still, until today, experts disagree about the best way to institutionalize ethics policies. One reason for this is the fragmented nature of approaches and because ethics systems differ widely from rigid compliance-based to ‘soft’ value-based systems, with, both, strengths and weaknesses. Moreover, academic publications about institutionalization are rare. According to Breaky, Cadman, and Sampford (2015), Sampford was the first academic to distinguish between institutional and individual integrity (see also Kirby 2020). Since then, Hoekstra and Kaptein became leading experts in the field of institutionalizing (public service) ethics (Hoekstra and Kaptein 2012; Kaptein 1998; Hoekstra and Zweegers 2021; Hoekstra et al. 2021). Also related to the issue of institutional integrity, Cropanzano and Folger (1991) were the first to use the term of organizational justice. Next, Treviño (1986) used the concepts of unethical behaviour in the workplace and ethical culture. In the private sector, the concept of managerial ethics was founded by Schminke (1998). The notion of integrity systems seems to originate in the works by Jeremy Pope (1996), the founder of Transparency International.
Finally, according to the OECD, the concept of integrity management can be defined as the activities undertaken to stimulate and enforce integrity and prevent corruption and other integrity violations within a particular organization. Integrity management is the sum of systematic and integrated efforts to promote integrity within public-sector organizations. Integrity management requires an integrated, systematic and coherent approach. Integrity instruments and initiatives are more effective when they are part of a systematic style. Although the importance of such a concerted approach seems almost a matter of course, this is not yet the case in many public organizations. Second, integrity management suffers from implementation deficiencies. Methodologically, there is no consensus about the right organizational design; which HRM practices and instruments constitute a theoretically complete set of ethics policies; the definition of ethical performance and; how ethics and ethical leadership are to be measured. Theoretically, there is no consensus of the mechanism by which ethics might impact outcomes.

In the field of organizational theory, sound empirical knowledge exists only on the positive link between meritocratic structures and lower levels of corruption and politization (Meyer-Sahling, Mikkelsen, and Schuster 2018). The interest in the link between HRM and ethics has not kept pace with the increase of interest in business ethics (Greenwood 2013). This is interesting because ethical challenges abound in HRM. Each day, HR managers and leaders ‘change, shape, redirect and fundamentally alter the course of other people’s lives’ (Margolis, Grant, and Molinsky 2007, 237). Failures and successes in managing individual discretion have an important impact on workplace behaviour, fairness perception, job engagement, and performance. The same challenges concern the issue of accountability (Bovens 2010; Bovens, Schillemans, and Hart 2008; Bovens, Schillemans, and Goodin 2014; Jackson 2009).

In the field of HRM, after periods of decentralization and ‘letting managers manage’, awareness is growing that too much diversity, best-fit, context, contingency, nominalism, bounded rationality and individualism are possibly not the right remedies to resolve ethical problems. Awareness is growing that ethical problems increase because of a parallel decline of universal standards and basic moral principles. In international politics, moral relativism is gaining in importance. However, these trends also deprive people of moral confidence, of the sense that we are right to condemn the actions of wrongdoers, and relativism removes the sense of conflict between apparently conflicting moral judgements that since they are relative, they do not conflict, or the conflicts do not matter (Lukes 2008).

The growing importance of individuals in public management studies conforms with the growing popularity of behavioural insights and an emerging ‘affective revolution’ in public management, micropolitics (Burns 1961) in organizational theory, and individualization concepts or ‘Singularisierung’ (Reckwitz 2017) in sociology. Diversity and identity politics have also become popular in political sciences. According to Fukuyama (2018), universal concepts are being challenged by the rise of identity politics (Fukuyama 2018, xvi). In international politics, Laing (2020) claims we have entered the era of a post-homogenous, diverse and individualized society. In the field of organizational justice, experts discuss whether new justice concepts should be made more sensitive to individual responsibility (Knight and Stemplowska 2011; Mounk 2017, 30).

There is nothing wrong with hiring, rewarding and sanctioning people based on individual merit and responsibility. It is an appealing idea. However, it also encourages people to think of themselves as responsible for their fate. ‘The more we view ourselves
as self-made and self-sufficient, the less likely we are to care for the fate of those less fortunate than ourselves’ (Sandel 2020, 59). The principle of meritocracy is increasingly self-defeating as it both supports growing individualism and inequality instead of public value thinking.

Another development rapidly entering HRM is the monitoring and surveillance of workplace behaviour and the growing attention to individual neuropsychological dimensions of behaviour such as activities, individual attention and perception, emotions and motives for stress, and many other concrete factors influencing productivity and worker feelings (Carpintero 2017). Finally, in the field of corporate social responsibility (CSR), there has been a rapid increase in the literature on individual-level research, now popularly called micro-CSR (Glavas and Radic 2019). This literature provides insights into how corporate social practices are influenced by the behaviour of their organizational members. These examples illustrate an increased interest in individuals and emotions. According to Davies (Davies 2019), we are entering a new era in which generalization and assumptions that there are laws, principles and values governing society as a whole and history as a whole, disappear (Davies 2019, 162).

One may also sum up these trends by claiming that the discipline of ‘people’ is gaining importance within the field of Public Management (Boselie, Van Harten, and Veld 2019), especially concerning motives for individual behaviour (Godard 2014; Budds 2019). Together with a more macro-perspective, this trend has led to organizational structures and public sector systems that combine formerly Taylorism, rule-bound, and traditional bureaucratic models with elements of flexible, innovative, and high-performance work systems. As a result, also increasingly, employment status and working conditions vary for different types of employees in the field of working time, pay, recruitment policies, performance assessment, performance management, training, competency management, career development- and retirement policies. All these developments create a new diversity of administrative systems that do not match anymore with classical administrative typologies.

The emergence of these new systems also creates new ethical opportunities, but also new fairness and justice challenges (Demmke 2020). For example, a study by Bezes and Jeannot (2018) notes that in some fields of HRM, line managers have considerable autonomy in taking HR decisions. Increasingly, managers change, shape, direct, and alter the employee’s lives. Managers make hiring decisions; assess competencies, skills, and performance; decide on training needs, rewards, sanctions, promotions, telework opportunities, diversity issues, dismissals, and private-work balance; provide feedback; etc. All these tasks have important ethical consequences for individuals, especially if managers do not have the necessary skills on how to manage fairly and in professional ways new tasks and responsibilities (Meyer and Hammerschmid 2010).

Ben-Sharar and Porat (2021, 9) discuss the ethical implications that result from trends towards the personalization of law. ‘Personalized law is alarming because it threatens a fundamental principle of liberalism: equality under the law’ (Ben-Sharar and Porat 2021, 9). Together with the above-mentioned de-standardization and individualization trends, they generate a new set of ethical challenges for a public management world in which people are different and the laws that govern them are personalized.
**Behaviouralism as a counter-trend to the past**

The above-mentioned trends may not only be of general interest to organizational and HRM experts. Instead, they illustrate similar trends in other disciplines like governance theory, management, and public service ethics. In all of these fields, present approaches can also be interpreted as counter-trends to the past. Such counter-trends are moving from rationality to bounded rationality (Brooke, McGee, and Jones 2019), from hierarchical steering to individual discretion and job autonomy, from standardization to de-standardization, from centralized concepts of fairness to individualized concepts of fairness, from ethical decision-making to bounded ethicality, and from people’s moral development (Kohlberg) to individual moral identity concepts. In the field of public service ethics, behavioural economics and behavioural ethics (Bazerman and Tenbrunsel 2011; Bazerman and Chugh 2015; Tenbrunsel and Chugh 2015; OECD 2018) are viewed as important and increasingly inform decision-makers and policymaking. For example, classical instruments that are based on law and compliance-based approaches are believed to be ineffective since they guard only against intentional forms of unethical behaviour (and not unintentional forms). Instead, today’s discourses focus on partiality, bounded awareness (Bazerman and Sezer 2016) and value-based approaches and purpose-driven management. According to the OECD (2018), behavioural sciences are thought of as improving integrity in different ways. Consequently, the ‘bad apple’ or ‘focus on the person as a root cause, is making a reappearance’ (Tenbrunsel and Chugh 2015, 207). As a consequence, the reform of integrity management also develops into an individualized, specialized and sophisticated approach (Stark 2000) and is being combined with ever-stricter behavioural requirements.

**The effects of de-standardization and individualization – the case of conflicts of interest policies in the EU member states**

This case study about the effectiveness of CoI policies is based on data generated from a comparative study (European Parliament 2020) in the field of CoI, which was generated by the authors and commissioned by the European Parliament in 2020. The purpose of the research was to gain an overview of the existing rules and policies of different CoI, as well as countries’ evaluations of the effectiveness of these policies. In the study, a European-wide survey was conducted under the umbrella of the European Presidency (and, more precisely, in co-operation with the European Public Administration Network, EUPAN, during the year 2020, which is composed of top officials from all EU Member States). By following a similar method used in an earlier comparative study (European Commission 2008), the 2020 study applied for the first time a longitudinal approach and measured the development of CoI policies over time. So far, the few existing comparative studies in the field of CoI used qualitative methods (Peters and Handschin. 2012; Auby, Breen, and Perroud 2014)

The study operationalized CoI using a list of 15 different Conflicts of Interests, such as a declaration of financial interests and assets, HPO’s spouse’s activities and provisions relating to the declaration of interests.
Ultimately, 17 countries participated in the survey

To prevent the answers from being personally biased, the survey was not sent to the individual Ministers/Secretaries, but to the administrations that are responsible for the overall management of the government’s integrity policies. In most countries, the delivered data was discussed internally and coordinated with several individuals, anti-corruption agencies, and ministries.

To operationalize and measure the existing policies and instruments in the Member States, we introduced the term ‘policy coverage density’. In our analysis, this refers to the percentage of CoI issues covered by laws or codes. If a Member State regulates/manages all CoI issues, the country has a policy coverage density of 100%. The data gained from the survey was subsequently analysed with data from different surveys such as Eurobarometer, Gallup trust polls, Transparency International corruption indices or Quality of Government data from the University of Gothenburg to examine inter alia the relationship between the policy coverage density, trust, tolerance of corruption, etc. We are well aware of the ongoing discussion about the accuracy of some indices. To avoid the pitfalls of interpreting too much into single scores, we tried to operationalize and measure concepts like trust or the quality of governance using different indicators and comparing the results. For instance, we have measured democracy using the index by the Economist Intelligence Unit and the Bertelsmann Foundation, leading to nearly identical results. The same goes for trust, as this is particularly hard to measure. We have supplemented the Gallup trust index with various questions from the Eurobarometer survey, targeting trust from different angles. While the Gallup index would have suggested that higher policy coverage density, as a consequence of de-standardization and individualization, has indeed led to slightly higher trust levels, the results comparing different measurements of trust are much more inconclusive. More on this later. Whereas this does not eliminate all the shortcomings some of these indices might have, it certainly allows us to draw much more informed conclusions.

The EU member states presented a perfect example for the case study for multiple reasons. It allowed us to carry out the first-ever longitudinal analysis of CoI policies, based on a similar study one of the authors conducted for the European Commission in 2007, also focusing on the EU member states. Secondly, the longitudinal approach allowed for conclusions about the effectiveness of efforts over time. Thirdly, the topic of conflicts of interest policies represents an interesting example for the study of de-standardized and individualized management practices. CoI policies are based on the ‘bad person model’ of integrity. They are almost exclusively interested in preventing conflicts of interests arising from individual basis or intrapersonal relations. Very little attention is paid to systemic or organizational causes.

The trend towards the adoption of more laws, codes, policies, the widening of definitions and the setting of stricter requirements requires ever more complex and sophisticated monitoring interventions. For example, the HR department in the European Commission performs approximately 3000 revolving door checks per year of those individuals who are being recruited, or who leave the organization (European Ombudsman 2017). Thus, Member States are confronted with an entirely new challenge: Increasing policy and disclosure requirements and the monitoring of revolving door cases generates an ethics bureaucracy and requires new investments in personnel resources, new institutional structures and the better monitoring of policies. Thus,
paradoxically (Nieuwenburg 2007), while national public management reforms continue to move away from classical bureaucratic features, trends in the field of public service ethics lead to the emergence of a new ethics bureaucracy.

**Legal and administrative fragmentation in the field of conflicts of interest**

We found in our survey that, overall, the regulation of CoI in the Member States of the EU is extremely fragmented on the national, regional and local levels, amongst different public institutions and different holders of public office. The same concerns the management of CoI. In most countries, oversight and control are the responsibility of many bodies and actors.

In most cases, responsibilities are shared amongst various actors:

- Court of Auditors with responsibilities for auditing ethics policies.
- Ombud Officers with responsibilities for managing maladministration.
- HR departments with ethical responsibilities for recruitment and disclosure policies.
- Integrity Officers, Ethics Commissioners, or Presidents with various advisory and supervisory functions.
- Decentralized ethics committees/Centralized Ethics Committees with various responsibilities for one or several institutions.
- Specific Recruitment and Appointment Bodies with responsibilities for avoiding CoI in the process.
- Specific Revolving-Door Bodies.
- Courts with legal and disciplinary control and sanction responsibilities.

According to the survey results, the EU Member States regard the issue of the revolving door as the greatest challenge in managing CoI. Revolving door policies focus on individual conflicts of interest when switching between the public and the private sector.

In our study, we also asked countries about the most pertinent challenges in the field of CoI and suggested a list of six obstacles to the effective implementation of CoI. Interestingly, when looking at the policy coverage density in the EU member states, it appears that mainly the countries with higher levels of policy coverage density admit facing challenges. Although this does not suggest that countries with lower levels of policy coverage density perform better, it does indicate that ever more regulation certainly does not lead automatically to more effectiveness. In their responses to the survey, most countries complained about increasing administrative burdens, ‘red tape’ and a lack of skilled personnel that can manage individual revolving door cases effectively.

**De-standardization in the EU member states**

Concerning the longitudinal analysis, the results show that every CoI issue has a higher policy coverage density than a decade ago. Nearly every country has more rules and policies in place today than in 2007. Amongst the 15 analysed CoI policies, every CoI issue has a higher policy coverage density than a decade ago. We also note processes of expanding (definitions and issues) and deepening the concept of CoI. For example,
countries continue to expand the concept of revolving door. Moreover, countries include ever more financial and non-financial issues that are being defined as (potential) CoI. The latter findings are important, because of the difficulties involved in managing and enforcing non-financial forms of CoI (like loyalty conflicts arising from cases of national affinity, political affinity, friendships, family relationships, party affiliations, associations, religious beliefs, emotional life or other factors that could compromise the impartiality and objectivity of a person). They can also result from involvement with non-governmental or political organizations (even if non remunerated) or competing duties of loyalty between one entity the person owes a duty to and another person or entity.

Non-financial CoI and CoI arising from personal friendships and family relationships are the most difficult issues to monitor and enforce. For example, whereas in the past the concept of spouse exclusively applied (if at all!) to the husband or the wife, the concepts of immediate family or spouse are constantly evolving (especially from a comparative point of view). The European Commission takes the view that “immediate family” should comprise, at least, the following relationships (…): The spouse (including a partner with whom the individual has a (non-) registered non-marital partnership), children and parents, (great-)grandparents and (great-)grandchildren, (half-) brothers and sisters (including from blended families), uncles and aunts, nieces and nephews, first-degree cousins, parents-in-law, children-in-law, siblings-in-law, stepparents and stepchildren’ (European Commission, OJ, C 121/1 of 9 April 2021, 8 and 9).

Thus, apart from the concept of ‘immediate family’, also the changing concepts of close friendships, extended family, etc. lead to ever-changing forms of potential conflict of interests and pose a huge challenge in the monitoring process.

As regards the effects of de-standardization and individualization trends in the field of CoI, we expected an increasing policy coverage density per country and per CoI issue, the widening of CoI definitions to cover more non-financial CoI definitions and an extension on the applicability of CoI to cover more personal and potential CoI aspects (such as the need for spouses of Ministers to also disclose their CoI).

Our data confirmed that nearly every country regulates more CoI issues today than it did in 2007 (and some countries cover even 100% of all suggested types of 15 CoI in the survey). In addition, Figure 2 also shows that for every single CoI issue, the percentage of member states regulating this issue has also increased since 2007. This is especially noteworthy as this figure itself displays the trend towards de-standardization and individualization. Take for example the issue of ‘Holders of Public Office (HPO) spouse’s activities’. Today, more countries require that also the spouses and immediate family members of ministers and top-officials must declare their financial and non-financial interests. Thus, the expansion of CoI policies develops in parallel with a deepening and individualization of disclosure requirements. Figures 1 and 2 confirm our claim that the regulation of CoI rules and policies in the EU member states requires – in fact – the implementation and monitoring of ever more de-standardized and individualized cases. This has further implications for the interpretation of our data on the effectiveness of CoI policies that we will address in the following chapter.

In almost all countries (except for the Netherlands), the law is still the predominant means of managing CoI. However, in all countries, there is growing insecurity about the right regulatory mix, the role of self-regulation, the effectiveness of deterrence
Figure 1. Average Policy Coverage Density by Member State from 2007–2020.
Figure 2. Average Policy Coverage Density by Col issue from 2007–2020.
mechanisms and sanctions, the quality of regulation and the need for other political, behavioural and economical instruments. Overall, the management of Conflict of Interest also requires better administrative cooperation and enhanced interdisciplinary cooperation because it is a borderline concept at the intersection of law, politics, economy, sociology, organizational behaviour and morality. Again, this raises the question of the limits of legalistic and traditional compliance-based approaches. However, while adopting ever new rules, codes and standards, countries have not yet started to question the ineffectiveness of their approaches.

According to the study, the EU Member States are doing too much and too little at the same time. Evaluating the effectiveness of CoI policies is facing many obstacles. The term effectiveness is not only about measuring policies with regards to a balanced ratio between input, output and outcomes, because it is also concerned with offering better solutions and reaching governance objectives and standards. As data on the development of CoI is not available, assessing the effectiveness of ever more and ever stricter policies is naturally a difficult task. We also agree that ethics policies have rarely just positive effects (Hesse, Hood, and Peter. 2003) but also negative and positive, neutral and negative (unintentional) side-effects, including bureaucracy, higher costs, moral intrusion into privacy and moral instruments for political purposes. Many variables affect the effectiveness of ethics policies, such as good working conditions, ethical leadership and perceptions of organizational fairness. Therefore, our study highlights the urgency for the EU Member States to generate data in the field of CoI, since the lack of data makes any research difficult and somehow a subject of speculation.

This also concerns the two most important objectives of CoI policies. CoI policies should prevent and reduce CoI, and CoI policies should contribute to generating more trust in holders of public office. According to the results, the question of whether these objectives have been achieved is questionable. Like corruption in general, CoI is notoriously difficult to measure, and because of this, there is little to no evidence on whether CoI and corruption are increasing or decreasing (Heywood 2014).

The study revealed that Government Integrity is higher in countries with lower levels of policy coverage density and that countries with better safeguards to prevent corruption have on average higher Government Integrity. There, it can be said that adopting more rules and policies is not enough – instead, it is important to invest in high-quality integrity policies and good governance policies as well as implementing them properly. While these findings are not new, it is important to note the empirical confirmation that effective integrity policies pay off in terms of satisfaction with the functioning of the democratic system.

More rules and standards can produce an outcome in which more rules and standards can be violated, which can decrease public trust in public office. Therefore, most ethics experts think that more rules might not automatically increase more trust. According to Auby, Breen, and Perroud (2014), ‘the level of public trust in government . . . impacts the choice of legislation’. To summarize, the data does not suggest a negative effect of higher policy coverage density on trust, but neither a positive effect.

**Ever more policies, ever less effectiveness?**

While the effectiveness of ethics policies is inherently hard to measure, in the case of CoI, it is even harder because the EU member states do not collect data on the development of CoI issues. However, our evidence allows for some conclusions,
tracing the ineffectiveness back to the ongoing process of de-standardization. Therefore, in the following, we focus on two main objectives of CoI policies: preventing and managing CoI as well as increasing trust in public officials.

Policy ineffectiveness in times of ethics bureaucratization – tracing the effects of de-standardization

In our survey, we asked member states what they perceive as most pertinent CoI challenges. Results indicate that countries perceive revolving doors, post-employment, grey zones and high complexity of the issues as the greatest challenges in managing CoI, with eight to seven confirmations. Right after these challenges, political reluctance to sanction was confirmed by six countries. High tolerance for CoI of ministers and trends towards politization got the least number of confirmations. The low number of confirmations about politization trends is somewhat surprising since trends in public administration are in fact towards politization. The reason for such a low number could be that the countries see the issue of politization trends as somewhat general and vague and find it difficult to give a straight answer to a very fuzzy issue.

According to our data, it appears that mainly countries with higher policy coverage density admit to facing challenges and having weaknesses in their CoI management, except for Austria, Latvia and Sweden. Of course, this does not suggest that de-regulating leads to better performances, but it certainly questions the assumption that ever more rules lead to more effectiveness in CoI management.

This particularly applies to cases of revolving door, post-employment, the political reluctance to sanction ethical violations and the high complexity of the issues at hand. This is another indication of one of the unintended side-effects of de-standardization and individualization. Apparently, in countries with high policy coverage density, and consequently a multitude of rules to implement and follow through on, governments see the high complexity of the issues as one of the key problems in managing CoI. Again, this does not imply that countries with lower levels of policy coverage density do not face these issues, they simply didn’t indicate so in our survey.

Another conclusion to draw from this is that higher policy coverage density seemingly does not satisfy the expectations policymaker had in terms of preventing and managing CoI cases. While not only the number of rules in place but also the number of countries regulating post-employment increased considerably since 2007, revolving-door and post-employment issues continue to be an important challenge for these governments. The goal of preventing and managing CoI was, in conclusion, not achieved through ever more legislation.

Lastly, the fact that many countries with high policy coverage density indicated political reluctance to sanction ethical breaches is a clear indication of another point to consider. The effectiveness of more legislation does not derive simply from more legislation being in place. It is also about loopholes, the applicability of a certain policy, the determination by governments to actually apply these rules, the growing complexity of rules and policies and the need for constant capacity-building to effectively implement CoI policies.

How does this link to de-standardization? As we have shown in the previous chapter, not only do nearly all participating member states regulate more than in 2007. For every single CoI issue presented in Figure 2, the percentage of member states to regulate the issue has increased. This list of 15 CoI issues in Table 1, 2 is, in itself, as mentioned
earlier, a depiction of trends towards de-standardization, individualization and widening of CoI concepts to include also ever more non-pecuniary issues. High policy coverage density is a clear indicator of de-standardization. Amongst the countries with high policy coverage density who admitted that they face difficulties in the implementation of CoI policies, Austria regulates 80% of all CoI issues, Bulgaria regulates 90%, Portugal 93% and the Czech Republic, Hungary, Luxembourg, Romania, Slovakia and Slovenia regulate 100% of all CoI issues. We interpret this as a confirmation that trends of high policy density are related to significant shortcomings in the implementation and management of CoI. While correlation, of course, does not imply causation, these results indicate a possibly fruitful and important research avenue for the future.

However, our data suggest these conclusions also in other areas. While corruption is arguably not the same as CoI, underperformance on corruption prevention can be used as a proxy to conclude about the general approach towards ethical misconduct. Our data show that countries with higher levels of policy coverage density generally score worse on the Transparency International Corruption Index. Additionally, these countries also score low on the Freedom House Index, measuring the effectiveness of corruption prevention. This has important implications for the assessment of effectiveness. It allows for the conclusion that simply regulating more does not lead to better

### Table 1. List of potential CoI.

| 1) Declaration of financial interests and assets | 11) Rules on receptions and representations |
| 2) HPO’s spouse’s activities | 12) Accepting gifts, decorations and distinctions |
| 3) Provisions relating to the declaration of interests | 13) General rules on impartiality and conflicts of interest |
| 4) Outside activities: Political activities | 14) Specific rules on incompatibility of posts and professional activities before or during the term of office |
| 5) Outside activities: Honorary positions | 15) 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 | |

### Table 2. Countries confirming challenges as the greatest in managing CoI.

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revolving doors</td>
<td>Austria, Bulgaria, Czech Republic, Hungary, Luxembourg, Portugal, Romania, Slovenia</td>
</tr>
<tr>
<td>Post-employment</td>
<td>Austria, Belgium, Czech Republic, Hungary, Portugal, Slovakia, Slovenia, Sweden</td>
</tr>
<tr>
<td>Lack of monitoring experts</td>
<td>Austria, Czech Republic, Portugal</td>
</tr>
<tr>
<td>Lack of financial resources</td>
<td>Austria, Czech Republic, Portugal, Romania, Slovenia</td>
</tr>
<tr>
<td>Political reluctance to sanction</td>
<td>Austria, Czech Republic, Portugal, Romania, Slovakia, Sweden</td>
</tr>
<tr>
<td>Grey zones</td>
<td>Austria, Belgium, Hungary, Latvia, Luxembourg, Portugal, Slovakia</td>
</tr>
<tr>
<td>High tolerance for CoI of ministers</td>
<td>Austria, Portugal</td>
</tr>
<tr>
<td>High complexity of the issues</td>
<td>Austria, Czech Republic, Hungary, Latvia, Luxembourg, Netherlands, Sweden</td>
</tr>
<tr>
<td>Trends towards politicization</td>
<td>Austria, Czech Republic, Hungary, Latvia, Luxembourg, Portugal, Slovakia</td>
</tr>
<tr>
<td></td>
<td>Austria, Slovakia</td>
</tr>
</tbody>
</table>
management of corruption. Higher policy coverage density does also not suggest a high quality of the policies adopted. In this case, even better implementation will not suffice to tackle CoI effectively.

We further note that in countries with a higher democracy index, there is also less acceptance of corruption. Or, vice versa: in countries where the democracy index is lower, the acceptance of corruption is also higher. Also, countries with better safeguards against corruption have generally higher scores on democracy indices. Therefore, if countries want to take the fight against unethical behaviour seriously, an important precondition for this is to – simultaneously – maintain or strengthen systems of Good Governance. This applies equally to the rule of law. Further, there is a, statistically not significant, relationship between the Government Integrity and the unacceptability of corruption. This confirms the hypotheses that Good Governance and ‘ethics pay off’.

More rules, higher trust levels?

OECD (2003) argues that citizens have a big part to play in the establishment of effective CoI management. The public should know how public institutions use their power and resources entrusted to them. Therefore, the conduct of public officials should be open to public scrutiny. However, the increasing regulatory activity, institutionalization and growing popularity of ethics policies do not necessarily increase the citizen trust in public institutions (Rosenson 2006). On the contrary, enhanced attention to these policies can lead to eroding citizen trust in the political systems and processes. For example, violations of rules and standards can generate public scandals that influence public trust. According to Behnke (2005), ‘in spite of the individual rationality of these strategies, the collective irrationality lies in the fact that ever more transparency, ever higher standards and tighter regulations create ever more violations of ethical rules, more scandals and more investigations, thus (…) destroying public trust’ (Behnke 2005, 3).

As trust is a manifold issue, we tried to operationalize the term by testing various variables, asking for opinions related to trust. It is often thought that countries with higher trust levels have less rules in place than countries with lower trust levels. This is contradictory to our findings. Indeed, trust is slightly higher, the higher the policy coverage density. However, the result is influenced by Luxembourg and the Netherlands, the only two countries with high policy coverage density and high trust levels. On the other hand, countries like the Czech Republic, Hungary, Slovakia and Slovenia also have very high policy coverage density but low trust levels. While the general trend might slightly suggest otherwise, a closer look at the cases shows that most countries with very high policy coverage density suffer from low trust levels.

Summarizing all the data collected on trust, the results of our analysis do not suggest a negative effect of higher policy coverage density on trust, but neither a positive effect. It can, thus, at least be questioned if the objective of increasing trust by implementing more regulation is achieved. Instead, the EU countries have rarely anticipated the consequences of stricter and broader revolving door and disclosure policies to administrative burdens. As trends towards individualization cause states to regulate ever more CoI issues (and vice versa) and cover not only the professional life but also the personal lives of public officials, we argue that this unclear picture about the relationship between ever more policies on the one hand, and trust levels on the other, cannot be interpreted without accounting for the reason why governments start to regulate more in the first place: de-standardization.
Conclusions: particularism and de-standardization – impact on public service ethics

Today, most EU countries address the issue of CoI with the use of regulatory instruments and – parallel to this – manage CoI in a highly de-standardized and individualized context. Parallel to this, the Member States of the EU have no statistics and figures about the development of CoI. At the same time, new policy developments in the field of CoI create ever new ethical challenges and conflicts of interest. Overall, existing rules and policies can only be effective if the Member States are willing to invest in the implementation, monitoring and enforcement of rules. Although the EU Member States place more attention on the implementation gap of CoI policies than decades ago, current developments generate ever more administrative and bureaucratic burdens. While countries invest more in the institutionalization of ethics policies, the expansion of CoI policies also requires ever more investments and – parallel to this – creates ever again shortcomings in the implementation of policies.

The discussion on how to effectively manage, implement and enforce ethics policies is not keeping pace with the call for ever wider definitions, more standards and stricter rules. For example, the management of the revolving door issues requires a highly professional case-by-case assessment by experts who have the necessary skills to carry out these tasks. Most administrations are not in the position to carry out professional and speedy assessments in each case. Often responsible administrations have very little means and incentives in place to rigorously enforce post-employment provisions. Moreover, countries tolerate CoI and rarely prohibit former staff or politicians from any new job or activity. At the same time, holders of public office are easily subject to scandal reporting, even in minor cases of wrongdoing.

The implementation of ethics policies takes place in a de-standardized management context with growing acceptance for diversity, best-fit, context, contingency, nominalism, bounded rationality and individualism. In the field of public service ethics, these trends have effects on how ethics policies are implemented. Overall, countries have become more meritocratic and diverse, but, at the same time, also more polarized, producing ever more inequality and individualization that, again, have an impact on perceptions of fairness, attribution and justice. Also, politicians abuse ethics policies irresponsibly for their personal self-interest, as a form of self-promotion (Grandstanding) and as a political weapon against political opponents (Tosi and Warmke 2020; Driver 2005; Neuhäuser and Seidel. 2020). Parallel to this, public expectations about ethical behaviour have risen. Like this, trends in the field of political ethics are as much towards ‘excessively demanding moralism’ (Driver 2005, 137; Neuhäuser and Seidel. 2020) whereas trends in international politics are towards a growing disrespect for universal values and moral relativism (Lukes 2008). These developments can also be seen in the field of ethics: Countries continue to adopt ever more laws and rules in the field of public service ethics, but – either – do not implement them effectively or are reluctant to enforce them against their politicians. In our survey, more than 30% of national responses concluded that one of the biggest challenges in fighting conflicts of interest is ‘political reluctance to sanction’ ministers and top-officials. One country mentioned a ‘too high tolerance for CoI of ministers’ and one country ‘trends towards politization’. These answers reveal a lack of political will and/or too high levels of tolerance against flagrant CoI.
Yet, in the end, we should highlight that more empirical studies and more non-ideological deliberations in the field of ethics are badly needed if we are to better understand ethical promises, challenges, and limitations. One of these challenges is to understand how government and public management policies are changing and how this impacts ethics and workplace behaviour (Demmke 2020b). Today, awareness is growing that work in the public sphere is much more complex and no longer dominated by the principle of rationality, as Weber predicted. In reality, work is more individual, value-laden, emotional, pluralistic, political and more unpredictable than ever. Modern public officials have also much more individual decision-making discretion than that predicted by Weber. However, extending individual discretion may not only support patronage and politization. Instead, it generates an entirely new set of ethical (leadership) challenges. Thus, de-standardization and individualization trends should always be seen in this context, too. How much neutrality and standardization do we need and how much de-standardization, individualization and discretion do we want?

As regards politicians, they need to lead by example. People are right to expect nothing less than exemplarity. Therefore, ethical standards should be set at the highest levels.

At the same time, detecting, managing and measuring ethics policies involve some of the greatest challenges and difficulties in legal, political, organizational, behavioural and administrative sciences. The management of conflicts of interests ‘is like aiming at a moving target and requires careful and flexible consideration’ (Kerkhoff and Overeem 2021, 91). Countries find themselves in a paradox: whereas politicians must be subject to tough scrutiny and the highest standards, it is nonetheless unrealistic to expect that legal and managerial ambitions solve the ever new emerging CoI issues once and for all (Kerkhoff and Overeem 2021, 91). However, our findings show that one solution could be to move away from the current trends towards an individualized ‘bad person’ model of integrity (that tries to manage and monitor all forms of potential and individual CoI) towards a model of institutional integrity. The latter approach requires that countries define criteria and indicators for issues and areas that are of institutional and even national importance. Take as an example the case of detecting CoI of Presidents, Ministers or Mayors in the management of EU funds on the national level. We are aware that the notion of conceptualizing institutional integrity merits a proper discussion.

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