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THE IMPACT OF SOCIO-ECONOMIC FACTORS ON THE EFFECTIVENESS OF PUBLIC ACCOUNTABILITY FRAMEWORKS IN THE EU

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Abstract: *This study explores how socio-economic factors affect the effectiveness of public accountability frameworks in EU member states, with Romania as a case study. Using data from the World Bank, Eurobarometer, and cross-country comparisons, it identifies five key determinants: income inequality, education, healthcare access, political participation, and economic stability. Grounded in institutional theory, the research shows that inclusive institutions and lower disparities lead to stronger accountability, while weaker frameworks often reinforce inequality and corruption. For Romania, the study recommends boosting transparency, enforcing anti-corruption measures, improving rural-urban equity, and enhancing civic education to strengthen the link between citizens and institutions.*

Keywords: *public accountability, socio-economic factors, European Union, governance, institutional theory, Romania, income inequality, transparency*

INTRODUCTION

Democratic governance relies fundamentally on effective public accountability—mechanisms that ensure governments remain transparent, responsive, and answerable to their citizens. Within the European Union's complex, multi-level governance structure, the relationship between socio-economic development and the functionality of accountability frameworks has become increasingly important for understanding variations in governance quality among member states.

Despite the EU's formal commitment to transparency, good governance, and democratic accountability, significant disparities persist in how effectively these principles are implemented across member countries. While states such as those in the Nordic region consistently demonstrate high levels of institutional trust and citizen engagement, several Eastern European countries, including Romania, continue to face structural challenges such as corruption, weak institutional capacity, and low public confidence in governance.

These differences suggest that institutional design alone does not account for variations in accountability effectiveness. Rather, underlying socio-economic factors—such as income inequality, education levels, economic stability, and social cohesion—play a critical role in shaping how accountability mechanisms are perceived, accessed, and enforced. In contexts marked by high inequality or weak public services, even well-designed frameworks may fail to function effectively.

This study investigates how socio-economic conditions influence the effectiveness of public accountability mechanisms across EU member states, with a particular focus on Romania as a post-transition case. Grounded in institutional theory, the research explores how socio-economic contexts affect the legitimacy and performance of governance structures.

The study addresses the following research questions:

- What socio-economic factors explain cross-national variations in accountability effectiveness within the EU?
- How do income inequality, education, economic conditions, and social cohesion interact to shape governance outcomes?

By combining comparative analysis with a focused case study, this research contributes to the broader understanding of democratic accountability in the EU. It aims to inform both scholarly debates on governance and practical efforts to strengthen institutional performance, especially in countries where socio-economic disparities undermine accountability. Romania's experience offers valuable insights into the challenges and opportunities of building more effective accountability frameworks in post-transition settings.

Governance structures are deeply influenced by historical choices, with institutions playing a pivotal role in shaping outcomes. Countries with inclusive institutions tend to channel socio-economic development into equitable and sustainable governance, promoting transparency and fairness. In contrast, nations with emerging institutions often reinforce cycles of inequality and corruption, undermining public trust and hindering long-term progress. Recognizing the importance of institutional inclusivity is critical for understanding governance challenges and opportunities in diverse socio-economic contexts.

The effectiveness of governance frameworks hinges on the strength and adaptability of institutions. Robust checks and balances, such as independent judicial systems, transparent public financial management, and active civil society organizations, are essential for translating socio-economic resources into effective governance practices. Institutions that fail to evolve in response to socio-economic changes, such as globalization, technological advancements, or demographic shifts, risk becoming rigid and unresponsive, fuelling public discontent. Institutional adaptability is therefore not only a mechanism for resilience, but also a prerequisite for legitimacy and public trust.

Addressing socio-economic inequalities is equally vital for fostering better governance. Programs that reduce income disparities and improve access to education create an environment where governance frameworks can thrive. By empowering marginalized groups and enhancing public awareness, these efforts contribute to more equitable and inclusive systems of governance. Moreover, empowering civil society strengthens accountability, ensuring that governance reflects the diverse needs and expectations of the population.

Building institutions that are transparent, inclusive, and adaptive remains fundamental to effective governance. Transparency mitigates corruption, inclusivity fosters equitable representation, and adaptability ensures institutions remain relevant amid changing socio-economic dynamics. By incorporating these principles into policy, the European Union and its member states can address the complex interplay between socio-economic development and governance, fostering more effective and equitable public accountability frameworks.

Exploring the Link between Socio-Economic Development and Governance

Socio-economic development and governance are intricately connected, with the effectiveness of governance frameworks often shaped by the socio-economic environment in which they operate. Understanding this relationship requires a deep dive into theoretical foundations, particularly institutional theory, which provide valuable insights into how socio-economic factors influence governance. Institutional theory places institutions—understood as shared beliefs, norms, rules, and symbols—at the core of organizational analysis. It examines how organizations adopt practices and designs to gain legitimacy, align with societal norms, and ensure survival in their environments. This theory emphasizes that organizations are not isolated entities but are deeply influenced by external cultural, legal, and normative forces. Institutional theory focuses on how institutions mediate the relationship between socio-economic factors and governance.

Institutional theory has significantly contributed to understanding why organizations adopt specific practices. However, one may consider it obsolete for its perceived determinism and oversimplification of human agency. Despite these challenges, the theory remains a powerful framework for analysing organizational behaviour, particularly in contexts where legitimacy and cultural alignment are critical for survival. Public accountability is a cornerstone of effective governance, ensuring that governments and public institutions remain answerable to their citizens. Within the European Union (EU), the complexity of multi-level governance structures presents unique challenges and opportunities for fostering accountability. A significant body of research has explored the socio-economic determinants that influence public accountability in the EU, offering valuable insights into how these factors shape governance outcomes.

Numerous studies have identified key socio-economic factors that play a critical role in shaping public accountability frameworks within the EU. These factors include economic development, income inequality, education levels, and cultural diversity. Below, we review some of the most relevant findings. Research consistently highlights a positive correlation between economic development and public accountability. Economically prosperous member states tend to have stronger institutional frameworks, greater transparency, and higher levels of civic participation. For instance, a study by Charron et al. (2017) found that wealthier EU countries exhibit lower levels of corruption and higher public trust in institutions. Studies such as those by Rothstein and Uslaner (2005) argue that high levels of income inequality erode social trust and weaken public accountability. In the EU, countries with lower income inequality, such as Sweden and Denmark, tend to score higher on accountability metrics compared to more unequal states like Romania and Bulgaria.

Education is a critical driver of civic engagement and public accountability. According to a study by Deakin and Reed (2019), higher education levels are associated with greater demand for transparency and better oversight of public resources. This trend is particularly evident in Northern European countries, where investments in education have fostered a culture of accountability. Cultural and social norms significantly influence public accountability. Research by Hofstede et al. (2010) suggests that individualistic cultures, prevalent in Western Europe, are more likely to prioritize accountability compared to collectivist cultures. Additionally, cultural attitudes toward corruption and nepotism vary across the EU, affecting the effectiveness of accountability mechanisms.

The EU's diverse socio-economic landscape creates significant regional variations in public accountability. Studies have categorized member states into distinct clusters based on their accountability performance:

Countries such as Sweden, Germany, and the Netherlands consistently rank high in public accountability indices. These nations benefit from strong institutions, robust legal frameworks, and high levels of socio-economic development.

Southern European countries, including Italy, Greece, and Spain, face challenges related to corruption and bureaucratic inefficiency. However, recent reforms aimed at enhancing transparency and reducing inequality have shown promising results.

Eastern European states, including Romania, Bulgaria, and Hungary, often struggle with weak institutions and low public trust. Research by Mungiu-Pippidi (2015) highlights the role of historical legacies and socio-economic disparities in shaping these outcomes.

The Role of Transparency, Integrity, and Accountability in Governance

Transparency, integrity, and accountability are foundational to effective governance in the European Union (EU). These principles are enshrined in EU treaties, emphasizing open decision-making processes, citizen participation, and the accessibility of information. Such frameworks are critical for building trust in public institutions and ensuring that socio-economic policies serve the common good. For example, mechanisms like the EU's Transparency Register and parliamentary oversight help scrutinize interactions between policymakers and lobbyists, ensuring that policies align with citizens' interests rather than private agendas.

There is an uneven implementation of transparency and accountability measures across EU institutions and member states, shaped by socio-economic disparities. In wealthier countries with robust economies, these frameworks function more effectively, supported by stronger institutions and greater public trust. Conversely, in countries with weaker economies or higher levels of corruption, such as Romania or Bulgaria, public accountability mechanisms often face greater challenges. Socio-economic inequality exacerbates these issues, making it harder to ensure fair representation and equitable policy implementation.

Despite significant progress, the EU faces challenges in ensuring consistent application of accountability frameworks. Institutions such as the European Parliament and Commission have adopted codes of conduct, mandatory transparency requirements, and measures to regulate lobbying. However, gaps remain in areas like enforcement, particularly for the Council of the EU, which lags in transparency compared to other institutions. Recent reforms aim to address these gaps, including the introduction of stricter codes of conduct for European Commissioners and measures to mitigate conflicts of interest.

A recurring theme in the report is the role of citizen engagement in strengthening public accountability. EU treaties mandate that institutions act “as closely as possible to the citizen,” reflecting the need for participatory governance. This principle aligns with the broader socio-economic goal of reducing disparities by involving marginalized communities in the decision-making process. Such participation fosters trust and ensures that governance frameworks address diverse needs effectively.

In the European Union (EU), policymaking has shifted away from traditional, hierarchical structures toward more complex, decentralized processes. These include networks of political, public, and private actors, forming informal and formal groups that collaborate on policy formulation and implementation. These interactions take place across multiple levels of governance, and often involve a diverse range of actors, from bureaucracies to interest groups and private companies. However, this networked form of governance raises critical concerns about accountability.

One of the central issues in multi-level governance is the accountability of the various actors involved. These actors, such as bureaucrats, interest groups, non-governmental organizations (NGOs), and experts, may not have a democratic mandate, which complicates the accountability process. While they are accountable to different entities, these relationships are often weak or ambiguous. For instance, bureaucrats, though subject to political oversight, may not face sufficient scrutiny due to the complex layers of governance. Similarly, interest groups often only answer to their members or donors, and NGOs may struggle with internal accountability and external representation of their constituencies.

Experts, who are seen as independent, are usually held accountable by their peers but do not face political accountability. The lack of direct political oversight in these networks leads to what some describe as "accountability gaps," where decision-making processes are obscure and hard to scrutinize by the public. This lack of visibility is particularly evident in formal networks, like European regulatory agencies, which deal with technical matters that don't attract media attention. As a result, public scrutiny is limited, and accountability can become fragmented.

The complexity of multi-level networks also creates competing accountability demands. Actors within the network must navigate multiple forums, each with different expectations, which can lead to conflicting priorities and a lack of clarity about who is responsible for what. As accountability procedures become more intricate, they risk becoming ineffective or misunderstood. These networks, though a response to the complexity of modern governance, face challenges in ensuring that all actors are properly held to account, creating a paradox of "excess accountability" without adequate political oversight.

While EU governance networks offer flexibility and inclusivity, they also present significant challenges for political accountability. The lack of transparency and the fragmentation of responsibility can make it difficult for citizens and other stakeholders to hold decision-makers accountable, undermining trust in the EU's policymaking processes.

The Impact of Socio-Economic Factors on the Effectiveness of Public Accountability Frameworks in the EU: A Focus on Romania

The effectiveness of public accountability frameworks across European Union (EU) member states varies significantly, with socio-economic factors playing a critical role in shaping institutional performance. Disparities in income distribution, education, healthcare access, political participation, and economic stability directly influence public trust, civic engagement, and the ability of governance systems to ensure transparency and responsiveness. This section explores these dynamics, with a particular focus on Romania as a representative post-transition state.

Income Inequality

Income inequality is a major barrier to effective accountability. Societies with pronounced economic disparities often exhibit lower levels of trust in public institutions and reduced civic engagement. In the EU, Nordic countries such as Sweden and Denmark—characterized by lower Gini coefficients and strong welfare systems—demonstrate high accountability standards and robust citizen involvement. Conversely, Romania, with a Gini coefficient of 31 (above the EU average of 29.6), experiences weakened public trust, limited political participation, and persistent perceptions of corruption. These dynamics illustrate how inequality not only restricts access to power but also erodes the social cohesion necessary for holding institutions accountable.

Education and Literacy

Educational attainment is closely linked to civic awareness and the capacity to demand accountability. Countries with high literacy rates and well-developed education systems, such as Finland and Denmark, tend to have more informed populations that actively engage in public affairs. Romania, while improving in educational access, still faces marked disparities between urban and rural areas. These gaps hinder the development of a well-informed citizenry, particularly in marginalized communities, and limit the effectiveness of accountability mechanisms.

Access to Healthcare

Equitable access to healthcare contributes to social trust and institutional legitimacy. In countries like Germany and France, well-funded healthcare systems support positive citizen-state relations, reinforcing accountability structures. In contrast, Romania struggles with systemic healthcare challenges, including underfunding and regional disparities. Limited access to quality medical services in rural areas exacerbates public dissatisfaction and reinforces perceptions of governmental neglect, thereby reducing citizen engagement in oversight processes.

Political and Civic Participation

Citizen participation in political life is essential for the functioning of accountability frameworks. In high-participation countries such as Sweden and Denmark, strong civic cultures underpin institutional transparency and responsiveness. Romania, by contrast, records lower-than-average voter turnout and civic engagement. This disengagement is often driven by public disillusionment with political elites and widespread perceptions of corruption. When citizens feel alienated from decision-making processes, the legitimacy and effectiveness of accountability mechanisms are undermined.

Economic Stability

A stable and inclusive economy provides the material foundation for strong governance. States with diversified and resilient economies—such as Germany and the Netherlands—tend to have the institutional capacity to deliver high-quality public services, which in turn reinforces public trust and accountability. Romania, despite experiencing consistent economic growth, continues to face high levels of poverty and regional economic disparities. These challenges limit institutional performance and hinder citizen participation, particularly in economically disadvantaged areas.

Together, these socio-economic factors create distinct accountability landscapes across the EU. Romania's experience underscores how formal institutional reforms may fall short when underlying socio-economic inequalities persist. A deeper understanding of these structural factors is essential for designing effective, context-sensitive accountability frameworks in both newer and older EU member states. The effectiveness of public accountability frameworks across EU member states is deeply influenced by socio-economic factors, including income inequality, education, access to healthcare, political participation, and economic stability. Romania, with its high levels of income inequality, disparities in education, and challenges in healthcare access, faces significant hurdles in fostering public trust and ensuring effective accountability. In contrast, EU member states with lower socio-economic disparities, such as the Nordic countries, tend to have more effective accountability mechanisms due to greater public trust, higher political participation, and stronger social safety nets.

For Romania to enhance the effectiveness of its public accountability systems, it must focus on addressing socio-economic inequalities, improving education outcomes, and ensuring broader access to public services, particularly healthcare. By doing so, Romania can foster greater citizen engagement, improve trust in government institutions, and strengthen the overall accountability framework.

In our research on public accountability in the EU we have used quantitative analyses, based on data from indices such as the World Bank's Worldwide Governance Indicators (WGI), and Eurobarometer surveys to measure accountability levels and their socio-economic determinants and statistics on GDP per capita, economic growth rates, and education levels affect public accountability frameworks.

The Eurobarometer 101 survey sheds light on public perceptions across the European Union (EU), offering valuable insights into governance and socio-economic trends. In Romania, the findings highlight citizens' attitudes toward EU governance, trust in institutions, and socio-economic challenges that influence governance effectiveness.

Romanian respondents demonstrated moderate trust in EU institutions, reflecting alignment with broader EU trends. However, trust in national institutions remains relatively low, indicating ongoing governance challenges. Corruption, perceived inefficiencies in public administration, and a lack of transparency are among the key concerns influencing public opinion. These findings emphasize the need for stronger accountability mechanisms and more transparent governance practices at the national level.

The survey revealed a growing interest among Romanian citizens in participating in EU decision-making processes. With over 70% of respondents expressing interest in the upcoming European elections, this highlights a positive shift toward civic engagement and political participation. However, barriers such as limited awareness of EU policies and their local impact remain challenges to further engagement.

Economic disparities and income inequality significantly affect governance in Romania. The survey highlights that citizens from economically disadvantaged regions express higher dissatisfaction with governance compared to those in urbanized and wealthier areas.

This underscores the importance of targeted socio-economic policies to reduce disparities and improve trust in public institutions.

To address these challenges, Romania could focus on enhancing transparency, reducing corruption, and fostering greater civic participation. Promoting educational initiatives about EU governance and creating platforms for citizen feedback could further bridge the gap between citizens and institutions.

By addressing these concerns, Romania has the opportunity to strengthen both national and EU-level governance, ensuring that public trust is rebuilt and democratic engagement continues to grow.

The World Bank's Worldwide Governance Indicators (WGI) offer a comprehensive framework to evaluate governance across six key dimensions: Voice and Accountability, Political Stability and Absence of Violence/Terrorism, Government Effectiveness, Regulatory Quality, Rule of Law, and Control of Corruption. These indicators provide insight into the governance performance of countries worldwide, including Romania, by combining data from diverse sources such as surveys, reports, and expert assessments.

Romania's performance on the World Bank's Worldwide Governance Indicators (WGI) from 2013-2023 reveals a nuanced picture of governance progress. Romania demonstrates strongest performance in Voice and Accountability (71st percentile in 2023) and Regulatory Quality (73rd percentile), reflecting successful democratic institutions and EU regulatory alignment. However, significant challenges persist in Political Stability (53rd percentile) and Control of Corruption (54th percentile), indicating ongoing governance weaknesses that affect public trust.

Government Effectiveness remains a critical area where Romania struggles. The inefficiency of public administration, bureaucratic hurdles, and inconsistent policy implementation have hindered progress. These issues are particularly evident in areas like healthcare, education, and infrastructure development. In Regulatory Quality, Romania’s efforts to align with EU standards have been significant, but challenges in enforcement and administrative delays remain obstacles.

The Rule of Law in Romania presents a mixed picture. While the judiciary has made significant strides in recent years, including tackling high-profile corruption cases, public trust in judicial impartiality remains fragile. This ties directly to the Control of Corruption, a key governance metric where Romania has faced persistent challenges. Despite notable anti-corruption campaigns and increased scrutiny of public officials, corruption continues to erode public confidence in governance, affecting both domestic and foreign investment.

To improve its WGI scores and overall governance, Romania must focus on strengthening public institutions, improving transparency, and enhancing the efficiency of public services. Addressing corruption requires not only robust enforcement of anti-corruption laws but also fostering a culture of integrity within public administration. Furthermore, investing in civic education and fostering public participation in governance can help bridge the gap between citizens and institutions.

By addressing these governance challenges, Romania has the potential to not only improve its WGI rankings but also build a stronger, more resilient society that can better align with EU norms and foster sustainable development.

CONCLUSIONS

This study has demonstrated that the effectiveness of public accountability frameworks across European Union member states is deeply intertwined with broader socio-economic conditions. While formal institutional design and legal frameworks remain essential, they are insufficient on their own to ensure accountability in contexts marked by persistent inequality, low civic participation, and uneven access to public services.

By applying institutional theory and drawing on comparative data from EU countries, with a specific focus on Romania, this research has identified five key socio-economic determinants—income inequality, education, healthcare access, political participation, and economic stability—as central to shaping governance outcomes.

The Romanian case illustrates how post-transition countries continue to struggle with entrenched governance challenges despite formal alignment with EU standards. Socio-economic disparities, especially between rural and urban regions, weaken public trust and hinder citizen engagement, thereby reducing the legitimacy and efficacy of accountability mechanisms. While Romania has made progress in areas such as regulatory alignment and democratic participation, gaps remain in corruption control, public service delivery, and government effectiveness.

The findings underscore the importance of adopting an integrated approach to governance reform—one that combines institutional strengthening with targeted socio-economic interventions. Improving access to education and healthcare, reducing income inequality, and fostering civic engagement are not only social imperatives but also prerequisites for building accountable and transparent governance systems.

For Romania and other EU member states facing similar challenges, future progress depends on policies that prioritize institutional inclusivity, citizen empowerment, and adaptive governance. In doing so, the EU as a whole can better ensure that its public accountability frameworks are both equitable and resilient, supporting democratic legitimacy and policy coherence across its diverse socio-political landscape.

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