

Auditing as a tool of government accountability? Exploring divergent causal mechanisms through three Honduran cases

Daniel M. Sabet¹

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Abstract: Audits of government entities offer a potential tool to hold public officials to account and to improve the functioning of public administration; however, empirical studies of audit impacts show mixed results. This is partially due to the diversity of audit regimes with different goals (forward vs. backward-looking accountability) and different accountability mechanisms (e.g., horizontal and vertical), which yield different causal chains. In this paper, I take advantage of a unique opportunity to compare three distinct audit regimes with distinct casual mechanisms in Honduras. This include a performance audit by a Supreme Audit Institution, a procurement audit by a regulator, and a social audit by a civil society organization. I find that backward-looking accountability requires effective horizontal accountability mechanisms to investigate and prosecute cases, which are lacking in Honduras. Forward-looking accountability requires either functioning horizontal and vertical accountability mechanisms supported by independence, a systematic follow-up methodology, public dissemination, and pressure from the media and civil society. Even when present, the audit regimes examined here remain heavily dependent on auditee leadership discretion. Complementary initiatives that build on audit recommended reforms are found to strengthen the causal mechanism linking audits to outcomes.

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1. Introduction

Audits of government entities offer a potential tool to hold public officials to account and to improve the functioning of public administration. In the title of their article, Avis, Ferraz and Finan (2018) ask if government audits reduce corruption, and they find evidence from Brazil that suggests the answer is “yes.” This is one of several studies from Brazil that took advantage of an innovative Brazilian audit regime, which uses a randomized audit selection process, to test audit impact. The Brazil experience suggests that audits can reduce corruption (Zamboni and Litschig, 2013; Avis, Ferraz, and Finan, 2018) and even impact the outcome of local elections (Ferraz and Finan, 2008).

Outside of Brazil, however, the literature on audit impacts is far more ambiguous. While several studies find positive changes on performance or reductions in corruption (Duflo, Hanna and Ryan 2012; Di Tella and Schargrodsky 2003; Olken 2017; Björkman and Svensson 2009), others find mixed results (Loocke and Put 2011; Wibbels et al. 2018), changes that evaporate with time (Banerjee, Duflo and Glennerster 2008; Bobonis et al. 2016), no change (Andrews et al., 2007; Raudla et al. 2015), and even potential negative impacts (Power 1994; Behn 2001; Power 2003; Dubnick 2005). Much of the divergence among these studies can be explained by the diversity of auditing or monitoring under examination. These include divergences in the goals, causal chains, and country contexts. In this article, I argue that the question is not so much if audits and monitoring work, but what types of audits and monitoring work, and under what conditions do they work. Much like other tools of democratic accountability (e.g., elections, transparency, legislative oversight) auditing and monitoring offers tools that can produce accountability; however, these are frequently insufficient on their own. Unlike these other tools, however, auditing and monitoring are understudied and siloed by geography (e.g., country experiences) and discipline (e.g., public administration vs. development economics).

In this paper, I examine the experiences and outcomes of three audit style initiatives in Honduras. Honduras presents a challenging country context for accountability and accountability-oriented interventions, as it scores poorly on governance, accountability, and corruption related indices (Martini 2013; Pérez 2014; TI 2019). All three initiatives were supported by the Millennium Challenge Corporation’s Threshold Program in Honduras, and data for the paper was collected by Social Impact Inc. as an independent evaluator contracted by MCC. Foreign donor support allowed for adequate financial and human resources to test the proof of concept.

This article makes four contributions to the literature. First, contrary to existing norms of categorizing audits by type or by who carries out the audit, I argue that audit regimes should be categorized by their objective (i.e., oriented towards forward or backward-looking accountability) and the intended accountability mechanisms (i.e., horizontal or vertical accountability), which yield different causal chains linking audits to desired outcomes, such as improved processes, better public services, and lower corruption.

Second, I find that different causal mechanisms can yield impacts; however, this depends on additional variables exogenous to the audit itself. Backward-looking accountability regimes (e.g., those that seek to hold officials to account for past shortcomings), require a political and criminal justice system capable of providing such accountability, which I find is lacking in Honduras. Forward-looking accountability regimes (e.g., those that seek to hold officials to account to improve future performance) can be achieved through either horizontal accountability to other government institutions, vertical

accountability to citizens, or diagonal accountability, a mix of the two. I find that this requires independence, a systematic follow-up methodology, public dissemination, and use by other actors to pressure for accountability (e.g., media, civil society).

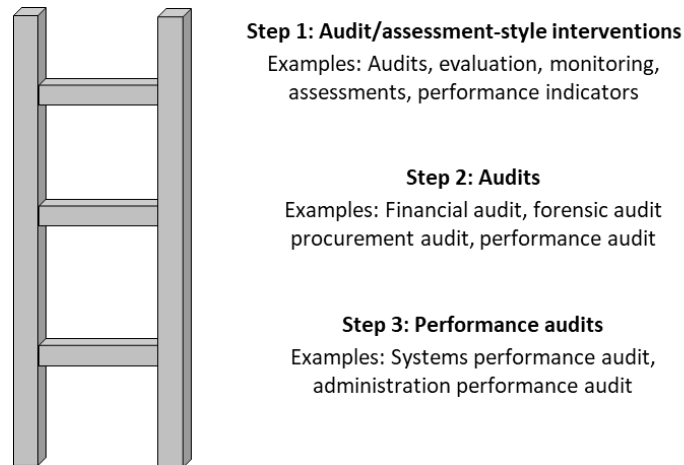
Third, I find that even with well-designed and implemented audit regimes, audit impact still remains dependent on auditee leadership discretion and their susceptibility to external pressure. Fourth, given the limited causal mechanisms linking audits to desired outcomes, complementary reform initiatives that build on audit recommendations offer a mechanism to address audit limitations.

2. Auditing as a tool of government accountability?

The term “auditing” is frequently applied to a number of assessment style initiatives. As audit methodologies have expanded beyond financial auditing and grown dramatically in the public sector, the meaning of “auditing” has been conceptually stretched. At its broadest, auditing is simply a systematic assessment, but there is disagreement on the primacy of various factors in defining auditing in the public sector, including the legal status of the auditor (e.g., a Supreme Audit Institution - SAI), the independence of the auditor, the goal of the audit, and the methodology employed. Power’s (1999) seminal work on auditing intentionally declined to define the concept because of its wide application. Lonsdale (2011), identifies a diverse set of audits, including environmental, management, forensic, data, intellectual property, medical, and performance audits. Moving down a Sartorian ladder of abstraction as seen in

Figure 1, we can make further differentiations within these audit categories. For example, Grönlund et al. (2019) in a review of the Swedish supreme audit institution identifies eight different types of just performance audits, including performance audit of systems or administration. From a step up on the Sartorian ladder of abstraction, auditing is one of several similar assessment-based tools, including monitoring, evaluation, and performance indicators. There are various definitional debates that seek to clarify conceptual differences between these (see Furubo 2011 for discussion); however, all these tools aim to reduce the information asymmetries between principals and their agents and offer a means for principals to hold their agents accountable. These principals can be leaders in a government ministry, the parliament, or the public. This article focuses on the audit level of abstraction and adopts a broad definition of audits as a systematic assessment; however, the theoretical discussion applies to and draws on this higher step on the ladder: assessment-oriented tools that reduce information asymmetries between principals and their agents.

Figure 1: Public sector audit style interventions on a Sartorian ladder of abstraction



3. Learning from Brazil's audit regime

In 2003, Brazil established an Office of Comptroller General (Controladoria Geral de União - CGU). Among its activities, the CGU randomly audits municipalities on their use of federal funds. As of 2015, Avis, Ferraz, and Finan (2018) reported that the CGU had conducted 2,241 audits in 1,949 municipalities. Taking advantage of the systematic measurement approach used by the auditors, the random selection of sites, the large number of audits conducted, and the availability of audit data, several research projects have found these audits to be extremely impactful.

- Ferraz and Finan (2008) find that publically disseminated audits actually influence the outcome of municipal elections. By comparing municipalities with a first time mayor eligible for reelection whose audit results were released prior to an election with similar municipalities whose audits were released after the election, the authors find a large, statistically significant impact on electoral performance. These effects were amplified when local media was present to disseminate the audit information.
- Avis, Ferraz, and Finan (2018) compare audit results for those municipalities that have been audited in the past with those being audited for the first time and conclude that the experience of being audited reduces future corruption. In addition, they find a spillover effect on neighboring municipalities where there is a local media outlet.²
- Zamboni and Litschig (2013) compare audit findings in municipalities who are notified of a temporary higher than usual audit risk of 25 percent with audit findings in municipalities under a lower 5 percent audit risk, and finds lower corruption and mismanagement in the former.

In the Brazilian case, the audits create accountability through two diverse causal mechanisms: one legal and another electoral. With the former, the theory of change laid out by Avis, Ferraz, and Finan (2018)

² A spillover effect was also found in a yet unpublished manuscript by Lichand, Lopes, and Medeiros (2017), who find that health sector corruption was reduced in municipalities neighboring an audited municipality

posits that audits detect corruption, this information is shared with the police, the police conduct a crackdown, and audit and police investigations lead to convictions. With the latter, the theory of change posits that corruption is detected by the audit, this information is shared and publically disseminated by local media, citizens consume this information, and they take it into account in their electoral choices. Because of the credible legal and electoral threats that audits pose to municipal authorities in Brazil, they have a strong incentive to react if the audit probability changes, as Zamboni and Litschig (2013) found, or if neighboring municipalities are audited, as Avis, Ferrez, and Finan (2018) found.

4. Auditing and the impact of similar tools outside of the Brazil case

The Brazil case is not the only one to produce audits with positive outcomes. Di Tella and Schargrotsky (2003) find that an incoming Buenos Aires municipal government's initiative to intensively monitoring prices for procurements at public hospitals led to a decrease in prices for key items. Olken's (2007) experimental study in Indonesia finds that an increase in government audit probability from 4 percent to 100 percent in treatment areas led to a drop in missing expenditures in road construction (a proxy for corruption). Duflo, Hanna and Ryan (2012) find in an experimental study that monitoring teacher attendance in India substantially reduced absenteeism in Indian NGO treatment schools. Björkman and Svensson (2009) find that community-based monitoring of community health centers in Uganda not only led to improvements in the health centers but increased utilization, and improved health outcomes. While these studies entail diverse forms of audit style interventions, different principals, and different country contexts, they all suggest the potential of audits to hold public officials accountable, reduce corruption, and improve services.

However, the findings of other studies of similar audit-style assessments are less clear. Loocke and Put's (2011) comparison of 14 performance audit studies finds limited influence and concludes modestly that performance auditing has some value. In a field experiment testing both citizen score card and government audits of district governments' public works projects in Ghana, Wibbels et al (2018) found that the score-cards influenced citizen engagement and that auditing reduced political manipulation of the budget; however, they did not find an effect on the core outcome of project completion or on many other outcome indicators identified.

In some cases, initially positive results might later regress to the status quo. Returning to the Indian absenteeism example above, Banerjee, Duflo, and Glennerster (2013) studied a similar initiative to reduce absenteeism among nurses in public clinics, and found that while the program was initially effective, with time the absenteeism went back up in the treatment clinics as work arounds were developed. Bobonis, Cámara Fuetes, and Schwabe (2016) study the effect of municipal audits in Puerto Rico over an 18 year period and conclude that while audits before an election result in a short term reduction in corruption, they do not lead to a sustained reduction over time.

Still other studies find no impact at all. Andrews et al. (2007) compare performance audited and unaudited Welsh government units and find no difference in changes in performance indicators. Raudla et al.'s (2015) survey of public officials in Estonia finds that only a small minority of respondents view

performance audits as having led to the adoption of changes or used to hold the organization accountable. Several of the study in Loocke and Put's review also did not appear to have any impact.

In fact, several authors focused on advanced industrial democracies question if audit style interventions are even desirable (Power 1994; Behn 2001; Power 2003; Dubnick 2005). Behn (2001) for example, identifies an "accountability dilemma," a tension between accountability for following financial and fairness processes on the one hand and accountability for performance on the other. Because it is easier to audit, monitor, and enforce the former, Behn (2001) argues that there is an "accountability bias" that actually undermines performance. Loocke and Put (2011) identify several potential negative, side effects of auditing, including gaming, window dressing reforms, incorrect audit focus that creates tunnel vision, and an emphasis on formal procedures that results in excess rigidity. Audits can also create fear that undermines innovation and fosters excessive caution (Behn, 2001).³

To date, there are no systematic meta-analysis that test whether audits are on balance effective, ineffective, or negatively effective; however, given the diversity of audit-style interventions, principals, theories of change, and country contexts, it is likely that there are a number of factors that explain variation in outcomes. Given this diversity, I argue that the question is not *if* but *when* audits are effective.⁴

While the Brazil studies suggest the potential value of audits as a tool of government accountability, several factors likely make Brazil a unique case.

- First, the audits aim to and appear to detect actual corruption. This is in contrast to Khan (2006) and others, who note that audits often fail to identify corruption because of the frequent lack of a paper trail.
- Second, the CGU is autonomous and not politicized (Bersch, Praça, and Taylor, 2017). It hires its auditors through competitive process and pays competitive salaries (Avis, Ferraz, and Finan, 2018).
- Third, Avis, Ferraz and Finan (2018) contend that audits lead to arrests and convictions, citing 199 police crackdowns and around 400 convictions of municipal authorities a year between 2009 and 2012.⁵

³ There is some concern that this might be the case in Brazil. Bologna Pavlik and Harger's (2019) yet to be published manuscript finds that government spending and economic activity declines in audited municipalities.

⁴ See Fox (2015) for a similar argument regarding social accountability mechanisms.

⁵ While the authors find a 20 percent (two percentage points) increase in enforcement actions in audited municipalities, one knowledgeable reviewer questioned Avis, Ferraz, and Finan's (2018) assertion of cooperation between the CGU and enforcement authorities. This reviewer notes that the vast majority of actions were informed by the Council for Financial Activities Control (COEF - Conselho de Controle de Atividades Financeiras) rather than the CGU.

- Fourth, the media is found to be an effective tool at disseminating audit findings (Ferraz and Finan 2008; Avis, Ferraz and Finan, 2018).

5. Sources of variation

A few studies have sought to identify factors that explain variation in audit outcomes (Loocke and Put 2011; Fox 2015; Gustavson and Sundstrom 2018; Reichborn-Kjennerud 2018); however, in general the field is under-theorized and understudied. I argue that because different audit regimes entail different causal mechanisms, the study of audit impact needs to differentiate among audit regimes, not based on who is conducting the audit (e.g., a SAI, a regulator, or a civil society organization) or the focus of the audit (e.g., finances, procurements, performance) but based on more theoretical considerations. In the discussion that follows, I identify key regime features that determine differences in the causal mechanism and then key variables that help explain outcomes within these mechanisms.

Variation in the causal mechanism: Audit regimes differ in the extent to which they are backward-looking, forward-looking, or a mix of the two. Backward-looking audits aim to understand what happened in the past, typically with the goal of holding officials accountable for past shortcomings or violations of law or procedure. Forward-looking, or preventative audits, are less concerned with holding officials to account for past behavior and more concerned with addressing problems moving forward.⁶ Frequently these audits entail recommendations to resolve identified problems. Backward looking audits require a mechanism to hold officials accountable, either through an administrative or criminal procedure. Forward-looking audits, by contrast, require translating findings into recommendations, incentivizing action plans in response to those recommendations, and monitoring and incentivizing plan implementation.

Audits also differ in the source of the accountability. In other words, who is the auditee accountable too? Following O'Donnell (1998), Fox (2015) offers a spatial conceptual framework to answer this question. Accountability can be horizontal to other state institutions as part of a system of checks and balances; it can be vertical to citizens; or it can be diagonal, involving a hybrid of vertical and horizontal accountability (Fox 2015). Horizontal accountability mechanisms might include the auditor itself. In some cases, SAIs have their own direct sanctioning authority (e.g., France's Cour des Comptes) either for audit findings (backward-looking) or a failure to respond to audit findings (forward-looking). Another mechanism suggested by Avis, Ferraz, and Finan (2018) is through collaboration with police, prosecutors, or regulators to initiate complementary investigations or undertake enforcement actions. For many authors, including Lonsdale (2011), particularly in the case of audits conducted by a SAI, accountability occurs via the legislature. The legislature can use the audits to inform its agenda, public hearings, budget allocations, and legislation for both backward and forward-looking accountability.

⁶ A forward or backward-looking focus may be related to the emphasis or type of audit, but it is a more theoretically useful distinction. Another common distinction between audit regimes is a focus on (1) adherence to the law, (2) adherence to processes that do not have the weight of the law (e.g., internal procedures), or (3) outcomes or performance. While the Brazil audits focus on the first two of these, performance audits focus on the latter. An audit focused on adherence to the law might either aim to hold officials to account for legal violations (backward-looking) or it might hope to prevent future illegalities (forward-looking).

Achieving horizontal accountability requires capacity, inter-institutional collaboration, and properly aligned incentives.

In the case of vertical accountability to citizens, the causal mechanism linking audits to outcomes is even more indirect. It typically occurs through (1) the public dissemination of audit findings, (2) their subsequent use by the media, who may praise or criticize an audited institution, and (3) a reaction by the public, who might use audit findings to inform electoral choices or decisions about voice and participation (e.g., petitioning a representative, protesting, or expressing views in a public meeting or survey). Even social audits conducted by a civil society organizations still depend on a response by citizens, and often there is a large divide between technically-oriented civil society organizations who might undertake social audits and grassroots movements or the larger citizenry (Bellows 2020).

While a sense of professional and institutional incentives can lead SAIs, regulators, police, prosecutors, legislators to carry out their horizontal accountability functions, at the end of the day, just like auditees, these actors are also incentivized by lines of accountability, be they patrons, political parties, or citizens. To the extent that there is vertical accountability between citizens and these accountability institutions, there is more likely to be diagonal accountability between citizens and auditees.

In many audit regimes, horizontal or vertical accountability might not be a goal of the audit or might be unlikely given weaknesses in accountability mechanisms. In such cases, outcomes depend heavily on the discretion of the organizational leadership of the audited institution in response to audit findings. These audits are better viewed as a potential tool for “learning” rather than for “accountability” (Lonsdale and Bemelmans-Vidéc 2007; Furubo 2011). This entails a different causal chain highly dependent on the “political will” of the auditee and a very different set of variables. For example, Looke and Put’s (2011) review of mostly advanced industrial country performance audits highlights the importance of a good relationships between auditor and auditee and the extent to which the audited agency is open to advice and has an self-reflective organizational culture. Similarly, Boyne (2003) is primarily concerned with the skills and the abilities of the auditors to be able to add value to the knowledge that an organization already has. These factors matter because the auditee needs to be convinced of the value of the audit findings in order to act on them; impact is at the auditee’s discretion.

In summary, I argue that the different audit goals (backward vs. forward-looking accountability) and sources of accountability (horizontal, vertical, diagonal, or auditee discretion) produce different causal mechanisms linking audits to outcomes. Some mechanisms are direct (e.g., a SAI issues an administrative fine), some require inter-institutional collaboration (e.g., between auditors and police and prosecutors), some are indirect (e.g., via an informed and active citizen response), and some depend on the discretion of the auditee. By distinguishing audit regimes based on objectives and the means to achieve those objective, I offer a more theoretically driven approach to distinguish among audits rather than less theoretically-grounded differences such as assessment type (e.g., performance audit, financial audit, evaluation) or by who is conducting the audit (e.g., a SAI, an internal auditor, civil society group). In the following paragraphs I explore several additional variables that are hypothesized to play a mediating role in these causal mechanisms and are expected to influence outcomes.

Country variation in horizontal accountability: The development and functioning of horizontal accountability mechanisms differs considerably across countries. The importance of country context is illustrated by a comparison between Zamboni and Litschig’s (2013) findings in Brazil and Olken’s (2007)

findings in Indonesia. In Brazil an increase in audit risk from 5 percent to 25 percent led to an estimated drop in corruption and mismanagement risk of 17 percentage points. By contrast, an increase in audit risk from 4 percent to 100 percent in Indonesia only produced a drop in missing expenditures of 9 percentage points. While these numbers measure different things and are not perfectly comparable, the distinction is clear, and the difference appears to be explained by the strength of existing horizontal accountability mechanisms. Olken (2007) reports that the Indonesia audits led to “few if any” prosecutions despite the rigorous audit methodology applied. Although Olken (2007) is often cited to note the impact of auditing, he speculates that the lack of consequences in Indonesia could cause the difference in audit probability to fade over time as fear of consequences fades. If in a given country context, SAIs are hesitant to use their enforcement authority, collaboration with police and prosecutors is not forthcoming, and legislators do not have a history of using audit reports, then horizontal accountability is unlikely.

Mechanism for dissemination and collective action problems to vertical and horizontal accountability:

Audit regimes focused on indirect consequences from citizens confront a basic collective action problem. Fox’s (2015) review confirms that access to audit information is insufficient to lead to collective action and in turn to improved outcomes.⁷ Citizens have numerous and overlapping priorities and are faced with a barrage of information under which complicated, audit findings are easily buried. As such, there is a collective action problem inherent in analyzing, distilling, and responding to public information, be it through voting, petitioning representatives or protesting.

In the audit literature, several authors note the important role of the media in packaging relevant news to foster indirect accountability (Besley and Burgess 2002; Gentzkow, Glaeser and Goldin 2006). In the Brazilian case, Ferraz and Finan (2008) find that audits have a greater impact on electoral outcomes when a local radio station is present, and Avis, Ferraz, and Finan (2018) find that audits have spillover effects on other municipalities when there is a local radio or TV station. Van Loocke and Put (2011) find that media plays an important role in five of the fourteen performance audit studies they examine.

If negative audit findings are presented in the media, this alone could be considered an external negative sanction. Fear of negative media attention could disincentivize corruption and poor performance, but typically a negative news story is insufficient absent a public or political reaction. As such, even if audit findings are widely disseminated and covered by the media, there is no guarantee or even expectation that collective action will occur in response. To the extent that horizontal accountability mechanisms (e.g., SAIs, police, prosecutors, regulators, legislators) require media coverage and negative public opinion to take action, then this collective action problem may undermine horizontal accountability mechanisms as well.

Strategic behavior of the auditee: Even provided robust horizontal and vertical accountability mechanisms, auditees and interest groups that benefit from the status quo are not passive players and may engage in strategic behavior. Auditees might pursue gaming strategies, including failing to provide information or implementing window dressing or simulated reform in response to recommendations,

⁷ See also Dunning et al. (2019) for the limits of information.

what Andrews, Pritchett, and Woolcock (2013) term isomorphic mimicry. Banerjee, Duflo, and Glennerster (2008), find that a monitoring initiative designed to decrease nurse absenteeism was initially successful but within 16 months was completely ineffective. The authors find that the local health administrators under pressure from organized nurses undermined the program's incentive system by granting frequent "exemptions." The result was continued absenteeism but now with the added cost of monitoring and formally justified absenteeism.

In a similar vein, while Di Tella and Schargrodsky (2003) continue to find an effect of monitoring procurement pricing in Buenos Aires public hospitals, the benefits decrease over time. The pre-audit status quo is frequently an equilibrium point that benefits key actors. In the case of procurement, corruption often benefits procurement officials, their superiors, and vendors. Each gains considerably from corruption and stands to lose from a change to the status quo. Consequences from increased monitoring or an audit might result in some short-term changes, but unless the institutional weaknesses that allowed for corruption are addressed, the status quo will likely reassert itself.

Beyond the manageable interests of the auditee: In forward-looking audit regimes, even responsive auditees might be unable to resolve audit concerns if they depend on other actors or lack needed resources. Wibbels et al. (2018) concludes that one of the primary reasons why audits and citizen score cards on capital projects did not yield an increased completion rate *vis a vis* the control group in their Ghana study, was that local governments depended on central government transfers that were not forthcoming in a timely manner.

Complementary initiatives and a more robust causal mechanism: Provided shortcomings to horizontal and vertical accountability mechanisms and the limits of auditee discretion, a more robust theory of change might be needed to tie audits and assessments to changes in corruption, performance, and other intended outcomes. Fox (2015) for example proposes what he calls a "sandwich strategy" or a pro-accountability coalition involving both civil society from below and reformists within the government from above.

Moreover, audits need not serve as standalone initiatives, but they can be part of a more comprehensive accountability strategy. In Björkman and Svensson's (2009) field experiment in Uganda, citizen score cards were the first step in a larger intervention. Community meetings were held to disseminate the score-card results and develop an action plan. In parallel, health facility staff were also convened to discuss the results. Community members and staff were then brought together to develop a community contract. A monitoring regime was established and progress discussed at monitoring meetings. In short, the score card was a crucial first step, but it was part of a larger initiative. In fact, these authors suggest that Olken's (2007) findings that community oversight failed to reduce corruption was really a product of an inadequate intervention.

In summary, the impact of audits depends on the strength of existing horizontal and vertical accountability mechanisms in a given country context, vertical accountability requires a mechanism to overcome collective action problems; and both require independence and a means to counter potential strategic behavior on the part of auditees. Audit regimes without a viable means of vertical or horizontal accountability depend on the discretion of the auditee. Given the limits to the causal chain linking audits

to desirable outcomes, all these regimes might require complementary interventions to strengthen the causal mechanism.

6. Methodology

In this paper, I examine the experiences and outcomes of three audit-style initiatives in Honduras. These include (1) performance audits conducted by Honduras' SAI, the Honduran Supreme Audit Tribunal (TSC), (2) procurement assessments carried out by the Honduran procurement regulator, the Regulatory Office of Contracting and Acquisitions of Honduras (Oficina Nacional de Contratación y Adquisiciones del Estado - ONCAE), and (3) civil society social audits of procurement, human resources, and performance measurement processes done by the Association for a More Just Society (Asociación para una Sociedad más Justa - ASJ).⁸ These cases are not sampled from a population per se; instead they illustrate three distinct types of audit regimes supported through MCC's Threshold Program. One advantage of focusing on these three cases is that they were done with the technical and financial support of MCC, and as such were adequately resourced and conducted by individuals with adequate capacity at a higher pay scale. This would not necessarily be the case if we were to observe three audit regimes that occurred in the absence of donor support. While this perhaps reduces the external validity of the study, some assurance of proper implementation allows for a test of a proof of concept. As such, I can be reasonably confident that any observed limitations to impact are not simply the product of a low-quality audit.

To measure process changes as a result of the audits, the analysis relied on documentation from the three institutions, including the audit reports, follow-up reports, Threshold consultant reporting, and methodological documentation. This was complemented by interviews with leadership of the three auditing organizations (i.e., TSC, ONCAE, ASJ), auditors/researchers from the three organizations, and auditees from select targeted institutions. Interviews took place at the start of the initiatives and were repeated again during and after the initiatives.

Unfortunately, there is no comparable metric of process level outcomes across all three initiatives; however, I am able to triangulate among different data sources to compare the three interventions. ASJ conducted audits of targeted institutions two or three times, producing an audit-based measure of change over time. In addition, the TSC and ASJ conducted follow-up and tracked recommendation and action plan implementation, providing another indicator of auditee response. While recommendation implementation suggests that an audit had influence, it is important to recognize this measure's limitations. Recommendation implementation percentages equate all recommendations equally, depend on a robust verification process, and do not necessarily capture the higher level outcomes that recommendation implementation is intended to achieve (e.g., improved public services, reduced corruption). In addition, as noted above, because of potential strategic behavior, auditees might undertake changes that amount to mere isomorphic mimicry or address audit identified issues at the expense of other priorities. By complementing audit and follow-up documentation with qualitative interview data, I am able to somewhat mitigate these concerns.

⁸ In Honduras, only the TSC has the legal authority to conduct formal audits. As such, only the TSC initiative was formally labeled as "auditing." Because the ONCAE and ASJ interventions are systematic assessments, I use the terms "audits" and "assessments" interchangeably.

ONCAE conducted no repeat studies or recommendation tracking, and in this case, I rely entirely on document-based and qualitative interview data to explore process changes as a result of the ONCAE audits. More detailed summaries of the findings, recommendations, and responses/outcomes of the three audit regimes on which this analysis is based can be found in Sabet et al. (2020).

It is harder to test if these process level changes lead to improved public services and reduced corruption in the absent of a more robust (e.g., experimental) research design. In the ONCAE case, I am able to go a step further and explore some higher-level changes systematically. To do so, I compare responses to a two-wave panel survey of businesses registered with ONCAE to sell goods and services to the government. Eight-hundred and fifty firms participated in the first wave in 2016 and 834 in the second in 2019. The cooperation rate during the first wave was relatively low (45 percent) and the second wave attrition rate was high (43 percent). Sampling concerns and balance statistics are provided in Sabet et al. (2020). Firms that drop out of the study are systematically different than those that stay in; however, replacements attenuate potential attrition bias. With replacements, the two waves balance relatively well. While there are some differences (i.e., wave two firms are more likely to have staff dedicated to procurement and there are some differences in whether firms identify as a manufacturing, service, or consulting firms), these could be due to natural changes over a three year period.

I use this survey to measure perceptions of the fairness in the procurement process, the role of merit and non-merit based factors in contracting decisions, and perceived commonness of different procurement irregularities. As there is no control group, I am unable to control for other time related factors (e.g., corruption scandals). Moreover, perceptions might not respond or respond quickly to objective changes; as such, the survey offers a more conservative measure of change.

7. Audit style interventions in Honduras

Performance audits by the TSC: With financial and technical support from MCC's Threshold Program, Honduras's TSC conducted four pilot performance audits in 2015 and 2016. The TSC had minimal experience with performance audits prior to this experience but had a long history of financial and legal audits. The audits were made publically available on the TSC website, and the TSC also conducted follow-up with the targeted agencies, although the follow-up process is somewhat limited and the results are not made public.⁹ Formally, the TSC is an independent, audit agency and its auditors are part of the civil service, well trained, and professional. Nonetheless, the agency is run by a three magistrate panel that is highly politicized, with the magistrates alleged to each be informally representing and protecting a political party (MACCIH 2016). The TSC does have the formal authority to charge and fine government officials for irregularities; however, the performance audits were conducted under the assumption of forward-looking accountability with an expressed intent not to charge officials based on past irregularities. The TSC also has the authority to fine officials for failing to cooperate with the TSC and respond to its recommendations, incentivizing forward-looking accountability. These design features are summarized in Table 1, which draws on the discussion above in deriving the row categories.

⁹ TSC performance audits are publically available at https://www.tsc.gob.hn/web/Auditorias/index_auditorias.html. [Accessed Feb. 27, 2020].

Table 1: Design features of three Honduran audit experiences

Design feature	TSC Performance audits	ASJ social audit	ONCAE procurement audits
Forward-looking accountability goal	High	High	High
Backward-looking accountability goal	None	Low	None
Means for horizontal accountability	Moderate	None	Low
Potential for vertical accountability	Low	High	None
Variables			
Robust methodology, professional staff	High	High	High
Independence	Moderate	High	Low
Public nature	Moderate	High	Low
Media attention	Low	Moderate	None
Complementary initiatives	Low	Moderate	High

Source: Author assessment based on qualitative sources

Social accountability audits/assessments by ASJ: In October 2014, the administration of President Juan Orlando Hernández signed a Collaboration Agreement with Transparency International (TI) and ASJ, the local chapter of TI, for ASJ to undertake social audits of key institutions in priority areas. As such, ASJ’s initiative is a civil society conducted assessment, or social audit, done with the support and backing of the president. ASJ developed a methodology to systematically sample and assess procurement processes, human resource processes, and the manner by which results were measured in select institutions. With funding primarily from the MCC Threshold Program, by 2019, ASJ had conducted an initial assessment in eight institutions and repeat assessments in six. Following the initial assessment, most institutions developed an improvement action plan that was presented along with the report at a public event with media participation.¹⁰ ASJ then conducted regular follow-up to monitor progress in implementing the action plans. While the primary goal of the initiative was forward-looking accountability, ASJ did name individuals responsible for irregularities its reports, suggesting some elements of backward-looking accountability. Reports and documentation were publically available on the organization’s website and the media reported on ASJ’s findings.

Procurement audit/assessments by ONCAE: With financial and technical support from the Threshold Program, ONCAE established an evaluation unit and hired experienced procurement professionals to sample and systematically assess procurement processes for compliance in select government institutions. While functionally an audit, ONCAE does not have legal authority to conduct an “audit,” an authority reserved for the TSC, and it uses the term evaluation instead. Between 2016 and 2018, the unit assessed samples of procurements in 20 institutions. While there was an intention to re-assess institutions to measure progress, as of the end of 2019 this had not occurred and ONCAE had no formal mechanism to follow-up with institutions. In addition, ONCAE’s reports were not made publically available. There was no threat of consequences for any irregularities detected. ONCAE does not have any sanctioning authority, and results were not shared with the TSC or other sanctioning authorities.

¹⁰ ASJ reports are publically available at <http://asjhonduras.com/webhnl/investigaciones/informes-asj-ti-2/>. [Accessed Feb. 27, 2020]

Instead the assessments were used as a “learning” tool to help inform complementary efforts, including a 180-hour training course for procurement officials, modifications to procurement rules, and creation of certified public purchasers (CPCs). ONCAE is embedded within an executive branch government ministry and is not independent.

8. Outcomes and contributions of the Honduran case

SAI performance audits: At first glance, the TSC’s performance audits has the highest probability of impact. The TSC has some direct sanctioning authority to enforce forward-looking accountability, a follow-up process, and publically available reports. Yet based on recommendation tracking and qualitative follow-up, it was perhaps the least impactful of the three. As seen in Table 2, only 24 percent of recommendations were implemented across the four institutions audited, the customs authority, a road maintenance fund, agricultural institute, and the electrical utility.

Table 2: TSC tracking of performance audit recommendation implementation across four audited institutions

	Customs	Road Fund	Ag. Institute	Electricity utility	Total
Executed	0 0%	12 23%	18 58%	0 0%	35 24%
Partially executed	5 19%	11 21%	10 32%	42 89%	53 36%
Not executed	19 73%	29 56%	3 10%	5 11%	56 38%
Not applicable	2 8%	0 0%	0 0%	0 0%	2 1%
Total	26 100%	52 100%	31 100%	47 100%	146 100%

Source: TSC follow-up documentation, 2018

As suggested by the table and interviews, the electrical utility was only minimally responsive. The road maintenance fund was eventually dissolved by the Hernandez administration in 2018; however, the documents and interviews suggest that the fund was only somewhat more responsive and took no action to address the more serious concerns raised in the audit prior to dissolution. Arguably, the customs performance audit did not allow for an adequate test of proof of concept. Prior to the completion of the audit, the parent institution of the customs authority was dissolved, and it was first transferred first to the ministry of finance and then to a new, temporary commission. Interviews suggest that this undermined an institutional response.

Of the four pilot audits, only the audit of the agriculture institute appeared to have a meaningful impact on the institution. The TSC rated 18 of 31 (58 percent) recommendations as executed, far more than the other institutions. In response to its recommendations, the TSC found and interviews confirm improved compliance with operational planning and monitoring, efforts to enforcement payments of fees, application of an internal audit on fee non-payment, and performance evaluations of staff. Efforts to enforce payment of fees deserves particular attention. The audit found evidence that the INA was not collecting the fees required to transfer land to citizens, suggesting the possibility of corruption in the

transfer of land. In response, INA emitted a circular requiring full payment for all property titles. Authorities then carried out an enforcement strategy including surprise field audits of cash registers and inventories to verify compliance. The internal audit unit assigned administrative responsibilities to fifteen individuals, including the Executive Director.

There are several limits to the TSC performance auditing. The TSC’s follow-up process was less intensive than ASJ’s and it lacked the complementary and strategic interventions of ONCAE. While the TSC has the authority to sanction public officials for failing to implement recommendations, it has not done so in the case of any of the four pilots. Despite low cooperation, officials in the electrical utility appeared to avoid sanctions by laying out an extremely long timeline for recommendation implementation, a timeline that is at their discretion, and by noting a lack of budget or dependence on other actors. In his review of 23,203 TSC recommendations over a seven-year period using TSC data, Ramírez Irías (2017) finds that authorities did not act on 46 percent of recommendations despite ostensible consequences for failing to do so.

The public nature of TSC audits was also not influential. Interviewees suggest that the media and civil society groups do not view audit reports as a resource in reporting and advocacy. A review of two major online media sources El Heraldo and La Prensa for a one year period following the completion of the audits, produced only one reference to any of the four performance audits (La Prensa 2017).

In the absence of practical consequences, reform and change in response to the audit is still possible; however, it remains primarily at the discretion of auditees, and in this case, only auditees in INA responded accordingly. Interviewees at INA suggested that the formal authority of the TSC did strengthen the hand of internal reformers who used the TSC recommendations to push forward some changes within their organization.

Social accountability audit: ASJ’s repeat evaluations and action plan tracking offer the best internally derived measures of outcomes of the three experiences. As seen in Table 3, of the six institutions with repeat measures, five improved their scoring and on average the improvement was 26 percentage points over a three year period. ASJ’s methodology has limitations: all factors are weighed equally; procurement audits had very small samples; and there were minor changes in the methodology over time. On average, ASJ considered that 61 percent of action plans were implemented. Recommendation tracking scores strongly correlate ($r=.52$) with changes in scoring.

Table 3: Outcomes of ASJ’s audit as measured by the organization

Institution	1 st score (2013-2015)	2 nd score (2016)	3 rd score (2017)	Difference	% of recs. implemented
Property institute	19%	69%	80%	61 pp	76%
Education secretariat	17%	48%	52%	35 pp	52%
Security secretariat	37%	67%	69%	32 pp	72%
Procurement regulator	36%	60%	.	24 pp	76%
Internal control regulator	26%	38%	.	12 pp	29%
Health secretariat	57%	59%	50%	-7 pp	56%
Public works secretariat	29%	.	.	.	48%
Average	32%	57%	63%	26 pp	61%

Source: ASJ (2019)

These results and interviews suggest a somewhat more impactful undertaking than the TSC's performance audits. Interviews suggest the importance of the following factors: (1) a well-respected, independent, civil society organization using a systematic methodology and a robust follow-up process, (2) the political support of the president, and (3) fear on the part of institutions that negative findings would be made public and covered in the media. Each of these appears to be critical. For example, interviews suggest that ministers might not have attended public events had the president not insisted that they attend and present action plans for improvement. This combination of pressure from below and from above, is perhaps rare, but it is illustrative of Fox's (2015) sandwich strategy. Despite this sandwich, the head of the targeted agencies still had discretion on how to respond to the ASJ reports. As such, the intervention was perhaps most impactful in the property institute and the security secretariat where the leadership was the most supportive. By contrast, the intervention did not move forward after baseline in the public works secretariat due to opposition within this agency.

It is worth mentioning that the president's embrace of civil society was not because he was a progressive reformer. President Juan Orlando Hernández came into office under a cloud of corruption allegations, and the embrace of ASJ oversight was seen by many interviewees as a tactic to increase his legitimacy. Some critics viewed ASJ's collaboration with the Hernández administration as risking co-optation, and ASJ did struggle to balance criticism and cooperation with government agencies. For example, ASJ agreed not to release a highly critical report of the public works agency (INSEP) right before the November 2018 elections, and it scaled back its media outreach and public dissemination over time. On the whole, interviewees and the assessments themselves suggest that ASJ maintained its independence and ability to critically assess the administration; however, the lower public profile might have undermined its ultimate effectiveness.

In the areas where ASJ was most effective there were also complimentary initiatives. Outside of the social accountability audits, ASJ played a key role on a powerful commission to purge and promote reforms in the security secretariat (Dye 2019). ASJ's human resources specialist also provided technical assistance to SEDS in implementing reforms in human resource management and addressing problems identified in the assessment.

While the intervention appears to have had a positive impact, there is a risk of overstating the results. The initiative did not lead to a transformation of public administration but rather gradual improvements in processes. This is perhaps best illustrated by the issue of merit-based hiring. Hiring in the public sector has frequently been patronage based. For several years leading up to ASJ's audit, education and health ministries had not held required public hiring processes for teachers and doctors and were instead hiring non-permanent contract workers, often based on political connections (Sabet 2020). Under ASJ pressure, both ministries initiated public processes, an important milestone; however, both processes were eventually undermined by political leadership. The teacher merit-based process was ultimately cancelled and several doctors were appointed despite low merit-based rankings.

Internal procurement audit: ONCAE's procurement assessments by themselves were unlikely to lead to change in the targeted institutions or serve as a tool for accountability. There was no intended backwards-looking accountability for procurement irregularities and as of late 2019 ONCAE had

conducted no follow-up with the institutions to incentivize forward-looking accountability. The reports were not made public or shared with the legislator, the TSC, or police authorities. As such, agency leaders and procurement officials had complete discretion over how to respond to the assessments. ONCAE had asked targeted agencies to produce an action plan in response to the report, providing a measure of intention to undertake agency-initiated reform. Of 20 reports completed in 2016-2018, only 8 agencies (40 percent) produced an action plan.

Nonetheless, ONCAE used the evaluation findings to promote government wide changes. In fact, most of the problems identified in the audits were not specific to individual agencies but common throughout the government, suggesting the need for broader solutions. Examples include:

- First, the audits made clear that many procurement officials had received no formal training in how to perform their work. In response, ONCAE developed a 180-hour course for procurement specialists, which was completed by 195 participants across 57 institutions.¹¹
- Second, several organizations had a disproportionate percentage of procurements that fell just below the monetary threshold for *public* procurements. Because of their relatively low cost, Honduran legislation only required three quotes to award contracts for these *private* procurements. This clustering was indicative of illegal division of procurements and likely abuses (i.e., directing contracts to preferred suppliers). In response, ONCAE issued a circular requiring that all public entities post these lower threshold procurements to the public procurement platform and allow interested parties to solicit a request to provide a quote.
- Third, recognizing the lack of accountability for procurement errors, ONCAE created and certified 139 Certified Public Purchasers who could sign off on procurement and contracting actions and would in theory be liable for irregularities. (A formal regulation was emitted to this effect, but as of late 2019 it was not be applied because of liability concerns among CPCs.)
- A number of other actions were taken as well. For example, standardized forms, templates, and guidance were revised and disseminated. In addition, finding that procurement files rarely included evidence of inclusion in annual procurement planning, ONCAE developed a new module for the annual procurement plan on its website.¹²

As such, the audits led to several process and policy changes at a national level through a process of horizontal accountability to ONCAE as the procurement regulator.

Unlike with the other two audits, the survey of vendors allows us to go a step further and see if these actions had an impact on the experiences and perceptions of firms that sell goods and services to the

¹¹ While this appears to be a capacity issue, the lack of capacity is likely the consequence of more serious problems, specifically the patronage appointments of administrative leadership and frequent turnover in administrative officials with changes in agency heads.

¹² The audits also documented the weakness in ONCAE's procurement platform *HonduCompras*. As a result, the MCC Threshold Program funded an update to this platform; however, this was still in the early stages of implementation as of this writing.

government. A battery of questions focused on the regulatory requirement to post “private procurements” publically to the procurement platform. When vendors were asked in 2019 if they were aware of this regulatory change, half of respondents replied affirmatively (50 percent). In addition, about 54 percent of those who were aware of this change had requested to be included. For the vendors that had requested to be included, 79 percent felt that their bid was considered. While many vendors had not heard of the regulatory change (and some of those did not have confidence that their bid would be considered), half of respondents had heard of the change and a majority of these appeared to trust the change. As such, these data suggest that the circular had a positive impact on competition at least in the short-term. It is of course possible that this initiative had a “squeezing the balloon effect” and simply pushed corruption through other mechanisms.

In response to more general questions; however, the survey suggests that vendors do not perceive overall improvements to procurements. Of 14 variables measuring the importance of various merit and non-merit based factors in winning a bid, the overall fairness and transparency of the process, and the perceived commonness of a variety of procurement irregularities, I find significant improvements in four, significant worsening in one, and no significant change in the remaining nine. (See Table 5, 6, 7). As such, I cannot conclude that these changes have been sufficient to change the perceptions of vendors.

Table 4: Perceived importance of five factors on a scale from not at all important (1) to very important (5) averaged across experiences with up to five agencies

Factors in award decisions	2016 mean	2019 mean	Hyp. Δ	Δ	Δ as % std. dev	
Compliance with specifications	3.72	3.65	+	-0.07	0.12	**
Cost	3.52	3.48	+	0.04	0.06	
Knowing the right people	2.65	2.49	-	-0.13	0.12	**
Party affiliation	2.21	2.02	-	-0.20	0.17	***
Paying a bribe	1.74	1.61	-	-0.12	0.12	**

Note: Respondents were asked to rate the importance of each of the five factors on a scale from 1 “not at all important” to 4 “Very important” for each of four principle government agencies (secretariats of health, education, public works, and security) and any one other agency to whom they had responded to bids for in the past 12 months. Respondents who had not provided a bid (168 in 2018; 182 in 2019) were asked their perceptions in general. Responses were then averaged across experiences with some respondents having five experiences and others only one set of observations. Sample sizes range from a low of 739 (2016 bribe question) to 844 (2016 cost question) based on question non-response. Observed changes, even when significant are small as a percent of the standard deviation. *p<.05, **p<.01, ***p<.001

Table 5: Evaluation of fairness and transparency on a scale from very poor (1) to very good (5) averaged across experiences with up to five agencies

Evaluation of fairness and transparency	2016 mean	2019 mean	Hyp. Δ	Δ	Δ as % std. dev
Fairness	3.65	3.70	+	0.05	0.04
Transparency	3.85	3.88	+	0.03	0.03

Note: As above respondents were asked to rate the fairness and transparency of the process across diverse experiences and these scores were averaged. Scores range from 1 very poor to 5 very good. As above normatively desirable values are higher. Sample sizes range from 782 to 808 based on question non-response. *p<.05, **p<.01, ***p<.001

Table 6: Percent who view various procurement problems as common or very common

Potential procurement irregularities	2016	2019	Hyp. Δ	PP Δ
Have a preferred supplier prior to bid	66%	67%	-	1pp
Obtain quote from shell business	52%	50%	-	-2pp
Award contract to shell business	53%	50%	-	-3pp
Tailor specifications to benefit a supplier	52%	55%	-	3pp
Declares legitimate bid illegitimate	48%	47%	-	-1pp
Firms collude	46%	46%	-	0pp
Inadequate time to prepare	40%	36%	-	-4pp *

Note: Interviewees were asked if they felt the above procurement irregularities were very common, common, occasional, rare, or never occur. Presented are the percent who reported common or very common. Sample sizes varied across questions from as low as 618 to 840, excluding do not know responses. It was not clear if question non-response produced bias or if truly did not know. *p<.05, **p<.01, ***p<.001

As with ASJ, ONCAE’s actions are best viewed as part of a process of incremental change. Training procurement officials is extremely important; however, it is not a long-term solution in a context where procurement officials have a high turnover and are frequently patronage, non-permanent, contract-based appointments (Sabet 2020b). While the panel survey of vendors suggests that the circular has had a positive impact, vendors do not see improvements when asked about more general factors. There are also limits to the circular. While anecdotal evidence suggests that new bids have in some cases led to lower prices, in at least one government agency, some interviewed businesses reported not attempting to submit uninvited bids for procurements for fear of being excluded in the future. Finally, while the CPCs have been formalized in the passage of new regulation, the CPCs have successfully blocked efforts to hold them liable for procurement process irregularities.

9. Conclusion

Backward-looking accountability was not a goal in any of the three cases. ONCAE and the TSC assessors even made sure to clarify with auditees that this was not their objective as a means to encourage support for the assessment/audit work. ASJ named officials associated with detected irregularities in their reports and referred some cases to authorities, but their focus was primarily forward-looking. This is not likely coincidental. Backward-looking accountability appears far less likely in a country context like Honduras than say Brazil, where prosecuting authorities and the courts are more independent and effective.¹³ This is perhaps best illustrated by government efforts to undermine the Organization of American States sponsored Mission to Support the Fight against Corruption and Impunity in Honduras (MACCIH in Spanish). In response to an investigation supported by the MACCIH of alleged corrupt acts by members of Congress, in late 2017, Congress added language to the budget dispositions to assign exclusive responsibility for such investigations to the TSC, effectively ending the MACCIH’s probe (MACCIH 2018; Call 2018). This was followed by a late 2019 vote by Congress recommending non-renewal of the MACCIH’s tenure in the country and the subsequent closure of the MACCIH by the president.

¹³ For a discussion of how Brazil strengthened its legal system to fight corruption see Lorenzon (2017).

ASJ and the TSC both had a forward-looking accountability approach with some mechanisms to realize potential outcomes. The TSC experience is significant because even provided the right tools for forward-looking horizontal accountability -- a professional audit agency, formal authority to emit sanctions, public reports, and a follow-up process -- these factors only culminated in meaningful changes in one of the four institutions. The threat of direct consequences appears to have been inadequate and the non-use of the findings by the media and civil society organizations supports Fox (2015) and Dunning et al. (2019) on the limits of transparency by itself. To be sure, TSC public outreach could be improved substantially to include better packaging audit findings for public consumption, conducting dissemination, improving its website, and reporting on recommendation implementation. In the absence of the application of direct or indirect consequences, the performance audit impact depended considerably on the discretion and political will of agency leaders and staff.

ASJ's forward-looking accountability appears to have been more effective due to a more robust repeated audit approach, more intensive follow-up, the threat of negative publicity, the support of the president, and respect for ASJ. Even with external pressure from above and below, a la Fox's (2015) sandwich strategy, progress was greatest when agency leadership was also supportive and when there were complementary initiatives.

The ONCAE experience is better viewed as an internal learning initiative rather than an attempt to create accountability. While the ONCAE assessment regime was poorly designed to directly incentivize change, it used the audit findings to undergird a more comprehensive reform agenda, involving training, rule changes, and efforts to create accountability. The ONCAE experience highlights the potential for incorporating audits into a more comprehensive intervention, echoing Björkman and Svensson's (2009) findings in Uganda. Given that the ONCAE experience was more one of applying "learning," the agency's lack of independence and the non-public nature of the assessments were less consequential.

This discussion suggests that audits can be a useful tool for government accountability and learning, but different audit regimes entail different causal mechanisms and their influence depends on several additional variables exogenous to the audit itself. Backward-looking accountability requires effective horizontal accountability mechanisms to investigate and prosecute cases. Forward-looking accountability requires functioning horizontal and vertical accountability mechanisms supported by a systematic follow-up methodology, public dissemination, and use by the media and civil society to pressure for accountability. Even so, the audit regimes examined here remain heavily dependent on auditee leadership discretion and susceptibility to such pressure. Complementary initiatives that build on audit recommended reforms appear necessary to strengthen the causal mechanism linking audits to outcomes.

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