Economies through transparency

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Abstract:
In this paper, we have tried to bring some light into the contemporary propagation of the notion of “transparency” as a guideline to enforce new configurations of economic life. Several interpretations, sometimes contradictory, can be found in the actual use of this notion. We have analysed its semiotic complexity through a large corpus of technical and academic literature. We have confronted the results of this preliminary analysis to three specific fields. In the domain of financial markets’ trading process, we have encountered a transition from a “literal” idea of transparency to an “abstract” sense. The accuracy of the representation of market’s state (the efficiency of price discovery, as economists would put it) can require the implementation of trading mechanisms that enforce anonymity: in this case, transparency is strictly associated to the representation of parties through (and only through) prices. The case of corporate governance helps us outline the disciplinary uses of transparency. Economic actors may demand a flow of information from other actors, so that they can verify the displacement (or otherwise) of these latter’s actions in relation to publicly held standards of conduct. When dealing with the state and regulation, transparency is to ensure the clarification of regulatory frameworks and their enforcement, keeping markets and, especially, the state at a distance. By way of a conclusion, we attempt to discuss whether this term provides the key to an emerging justification regime.

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1. Introduction: the "transparency syndrome" of contemporary societies

Wim Duisemberg asserts that the ECB, as compared to the Fed, follows a policy of total transparency; the EU Commissioner Pascal Lamy says that transparency is a key component of the governance developments required by globalisation; the European Union has increased transparency to be closer to its citizens (Peterson, 1995; Deckmyn and Thompson, 1998); international treaties like the Aarhus Convention try to set norms of transparency for specific policy domains such as the environment. Michel Prada, director of the COB (the French financial markets' regulator), and Jean-Claude Trichet, governor of the Bank of France, say that financial transparency is one of the conditions for the efficacy of markets (COB, 1998: pp. 5-10). In the cover of a recent Financial Times bestseller, electronic trading is said to bring liquidity, accessibility and transparency to the markets (Young and Theys, 1999). Management consultants experience an increasing urge to explore this term (Larsson and Lundberg, 1998), and so do avant-garde essayists (Brin, 1998). The International Corporate Governance Network, a group of powerful institutional investors, calls for transparency in all aspects of the shareholders-management nexus; ICGN principles build on and amplify the 1999 OECD Principles of Corporate Governance. Law and administration are increasingly required to be transparent (*Pouvoirs*, 2001; Conseil d'État, 1998).

Do all or any of these instances of the notion of transparency share all or any of their dimensions? Does this vocabulary define a new way of representing accuracy and fairness in economic and political activities? Does transparency correspond to a new principle of socio-economic organisation?

The analysis of the meaning and use of such a notion is far from straightforward. On the one hand, the object is drowning into polysemy, misunderstandings, or empty statements. On the other hand, the notion is widely used by actors not only concerned with representing economic, social and political life, but also with performing it.

The aim of this paper is not – and cannot be – to provide a definition of transparency that would embrace all its different uses. Rather, we would like to focus on a limited number of these in order to find out whether it is possible to evince common elements, an underlying logic that may help understand the rise of transparency.

Part of the framework in which our task can be usefully developed is provided by the work on justification regimes developed by Luc Boltanski, Laurent Thévenot and Ève Chiapello (Boltanski and Thévenot, 1991; Boltanski and Chiapello, 1999). A justification regime corresponds to a "world" (or *Cité*), governed by a "common superior principle". This principle may be referred to when invoking justice in situations of conflict or dispute[1]. According to this approach several worlds coexist and every person "exists in all worlds" (Boltanski and Thévenot, 1991: p. 184), but certain parts of society are closer to some worlds than to others[2]. Controversies in economic and political spheres, in which we are interested here, are thus governed by a limited number of "worlds".

Transparency could fit, in this sense, into a "mercantile world" since it is a notion through which the categories of mercantile principles can be developed: competition and revelation of desires and forces exclusively through prices. As a matter of fact, the idea of transparency is central to the vocabulary of mainstream economics that has emerged around the image of a Walrasian auctioneer that conducts the price discovery process. But the "industrial world" includes also several elements that could be attached to a specific meaning of transparency.

The keywords assigned to the universe of function and organisation could be easily linked to specific uses of the word "transparency" that are close to the imagery of hierarchies and engineering. In computer engineering, in an interesting twist of meaning, a transparent network architecture is one that allows the user *not* to notice that several hosts are performing tasks within it.

A third world, the "connectionist" world where activities are shaped around "projects", defines, in the vocabulary of justification regimes, the contemporary emerging forms of capitalistic legitimacy. Boltanski and Chiapello explicitly underline that the notion of transparency is not specific to this "connectionist world", whose best representative is the modern manager: while the market is supposed to be transparent in order to enhance a price formation process, networks (the main leitmotiv in the "connectionist world") are knowable only at local levels (Boltanski and Chiapello, 1999: p. 194).

We do consider, however, that the notion of transparency deserves special attention in order to understand emerging forms of legitimacy in contemporary liberal democracies, and that such an analysis should contribute to theoretical discussions like the ones engaged by Luc Boltanski and Eve Chiapello's work[3]. To that purpose, we have started with a short content analysis of three bibliographical databases in order to explore the multiple meanings (polysemy) of "transparency" in its relation to economic life.

2. An attempt to visualize polysemy

We have used *Réseau-Lu* software to analyse the lexical associations around the notion of transparency within a representative body of academic literature in social sciences[4]. This corpus was constituted by the bibliographical records that included the stem "transparen*"[5] of three representative databases: *EconLit*, *Political Science and Government Abstracts* and *Sociological Abstracts*. The query[6] produced 516 records for *EconLit*, 303 for *Political Science and Government Abstracts* and 304 for *Sociological Abstracts*.

Figure 1 gives a first visualisation simply showing the yearly occurrences of "transparen*" in the three databases. There is a strong increase since the early nineties reaching a climax in the mid-nineties and descending to a lower level (but still significantly higher than in previous years). This confirms our initial hunch that the rise of "transparency" is a recent and substantial phenomenon.

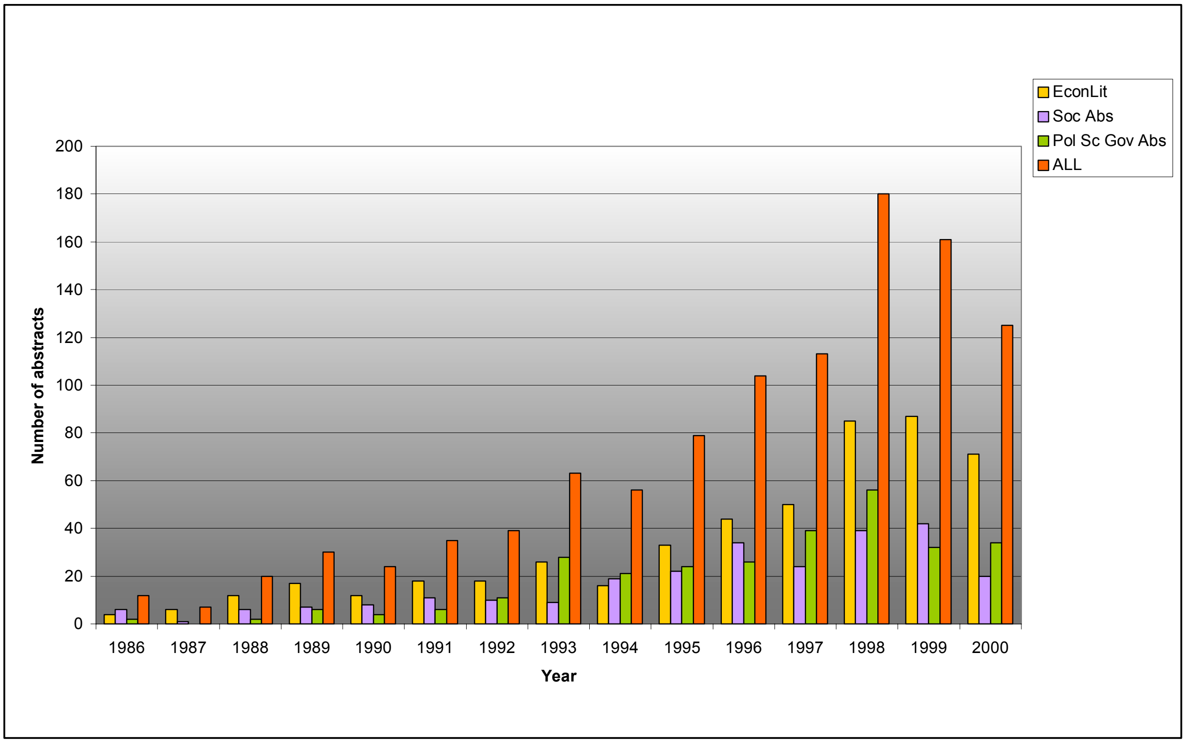

Figure 1: Evolution of "transparency" in the 3 databases.

In figure 2, we can visualise the links between words that are associated to "transparen*". The associations mapping process works as follows: we have extracted all the words from the records' abstracts that were present in the same sentence as "transparen*". We have cleared this list, and eliminated the low frequencies (which incidentally gives *EconLit* a privileged position). Using *Réseau-Lu*, we have drawn a graph in which the most frequent words (excluding "transparen*" itself) are linked one to each other if they belong to the same text (that is, to the same abstract). The graphic representation in figure 2 is set to a threshold of a 20 per cent of ties. The volume of the points represents frequency. This graphic representation may be seen as a map of the polysemy of transparency. We can observe several poles around some specific key terms and webs of words.

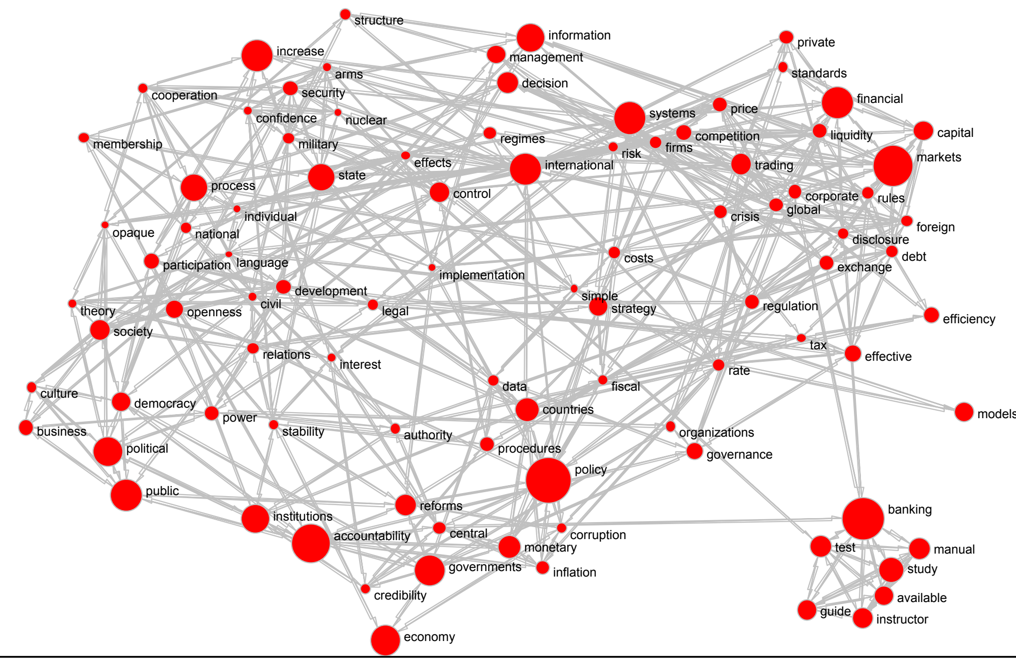

Figure 2: An attempt to visualize the polysemy of “transparency” with *Réseau-Lu*©.

We cannot define clear-cut thematic worlds of transparency[7]. But there are some significant concentrations: *finance*, in the right section (“financial”, “capital”, “markets”, “banking”), and *institutions*, in the left section (“state”, “democracy”, “institutions”, “policy”). In the right section, we can find interesting connecting words: “information”, “systems”, “efficiency”, “governance”. In the left section, we observe such words as “accountability”, “public” and “openness”.

We can roughly describe the proliferation of the notion of transparency in contemporary matters of management, market regulation, social communication and public policy around the following poles:

- A pole clustering “democracy”, “power”, “political”, “public” and “business”.
- A second pole within a circle described by “society”, “participation”, “process”, “state”, “legal” and “openness”: it is in this area that one finds the contributions on citizen’s access to public policy processes and documents as opposed to a high degree of opacity, as we shall expound below.
- Another pole refers to the area of defence policy, (“arms”, “security”, “nuclear” and “military”, connected to “confidence”, “security”, “nuclear” and “state”)[8].
- The biggest pole on the left side contains a wide and possibly interrelated range of concepts: a) economic exchange: transparent markets, transparency in trading, b) accounting and organizations: transparency in the firm, transparent accounts, transparent budgets, c) public policy: parliamentary transparency, transparency in public budgets, access to documents.

These different poles will not be systematically explored. Nonetheless, they will serve as a guideline through the following sections, in which we confront three concrete and different points of view to the polysemy of the notion of transparency[9]. We therefore propose to analyse diverse stages where transparency enacts its polysemy, in order to suggest some tentatively coherent conclusions.

3. Representing through prices

Let us focus on the upper-right section of our network of words. This is the financial markets' corner, understood in the sense of the "exchange": the environment where "competition" is organised ("rules") and the key activity is "trading". We focus on these, although terms such as "corporate" and "firms" obviously point to other economic realms. In this section, we find some of the keywords associated to market microstructure: "liquidity", "efficiency", that is to say, the vocabulary developed to describe the behaviour of "prices". A consistent portion of this part of our graph corresponds precisely to financial economics or market microstructure works[10].

In this kind of semiotic environment, the word "transparency" refers, to a large extent, to the "disclosure" of market information. Market information can embody very precise definitions: price of executed trades, quantities, market depth (this means the unexecuted limit orders that are waiting in the order book of a stock), but also the identity of the parties who place those orders[11]. If we focus on this last issue, the identification of parties or market actors, then we can understand one pole of the polysemy of transparency: it may be in association with, or in opposition to, *anonymity*.

The publication of the identity of exchange counterparts (through an identification code) has been discussed with regard to market liquidity and efficiency[12]. In a so-called transparent market, actors can identify the strategies of other market participants; they can follow them, or identify large capital movements. This was the case of the Parisian NSC (*Nouveau Système de Cotation*) trading system before the implementation of the new Euronext Market Model (which took place in April 2001). This was also one of the reasons why big brokers (notably the "MGM": Merrill Lynch, Goldman Sachs and Morgan Stanley) seemed to prefer the London Stock Exchange: they are likely to prefer a quote-driven market where it is easier to "go anonymous"[13].

But "transparency" can be associated, in a less technical sense, to the general scope of market visibility. In this case, the term can easily co-exist with forms of electronic trading that enforce anonymity. This is the case, for instance, of the new Euronext Market Model, i.e. the publication of brokers' codes has been removed from the Parisian NSC trading system. In this case, market transparency is strictly associated to the visibility of prices and volumes (bid-ask spread and market depth). But the word "transparency" subsists.

Perhaps this distinction between two meanings of transparency, one associated with the identity of market participation and another associated with a strictly price-mediated visibility, can be seen as an instance of a more encompassing distinction between "literal" and "abstract" or "phenomenal" transparency. We owe this distinction to conceptual developments in modern architecture:

> "Literal transparency, we notice, tends to be associated with the *trompe l'œil* effect of a translucent object in a deep, naturalistic space; while phenomenal transparency seems to be found when a painter seeks the articulated presentation

> of frontally displayed objects in a shallow, abstracted space." (Rowe and Slutsky 1997: p. 32).

While literal transparency intends to preserve traits of the actor or object so that they can be easily recognised (we can *see* through the device), abstract transparency reorganises the task of representing so that they can be easily transported and processed (we can only see *through* the device). We can translate this to an economic domain. Literal transparency would refer to a kind of face-to-face environment such as open outcry market, or to a mediated type of exchange where the identity of the parties is maintained (a telephonic conversation with a broker or a market-maker, or a screen-trading interface that allows to identify the agents that are placing orders). On the contrary, the phenomenal or abstract transparency could characterize a clearinghouse-type exchange in which the counterpart is, by definition, not chosen but determined by a clearing algorithm and participants are translated through their abstract expression[14]: prices and quantities.

This "phenomenal" transparency clearly sympathises with the leitmotivs of mainstream economics' vocabulary. The meeting of supply and demand curves in a single point does not need actual traders to recognise each other: it needs a trading protocol that allows bids and asks to become visible and to concentrate in a single price discovery machine[15]. In her analysis of the implementation of a "perfect market" auction protocol in a rural market, Marie-France Garcia has shown how the architecture of the auction site physically separated sellers and buyers and allowed them to communicate exclusively through an electronic bidding protocol (Garcia, 1986)[16]. We may understand this as a move from literal to abstract transparencies, and accordingly a shift in the architecture of different regimes of co-ordination.

4. Monitoring corporations and avoiding monitors

Still in the "market" space of the graph, we see an interesting network of terms around "corporate", "global", "disclosure", "rules" and "regulations". This will be the focus of this section: the global movement towards rules for corporate disclosure.

We cannot provide a detailed background to this massive displacement of economic power[17], in which transparency has been playing a crucial role. To outline the rationale for this long-standing battle between managers and shareholders, we may turn to a crucial *synchronising* actor (Luque, 2001): the OECD. This think-tank of capitalism frames the necessity to launch an initiative on corporate governance principles addressed at "governance problems that result from the separation of ownership and control" (OECD, 1999: p. 2). Here the framework sets out to "ensure that timely and accurate disclosure is made on all material matters regarding the corporation, including the financial situation, performance, ownership and governance of the company" (p. 8). Transparency, thus defined, comes to be a central element in addition to "proper incentives for the board and management to pursue objectives that are in the interest of the company and shareholders", by facilitating "effective monitoring".

But transparent is a hard state to be in, since it diminishes your chances to behave freely, i.e. your actions must be in accordance to the standards (and only to them) you have pledged to follow. A telling example of the power shift implied in the forcing of transparency into relations among actors is provided by the powerful retirement fund for California public employees, CalPERS[18]. CalPERS is the spearhead of the global "active shareholder" movement to redesign corporate law and financial markets regulations, so that shareholders come to more closely control the governance structures of corporations. It is a founding member of the International Corporate Governance Network – ICGN members were estimated to hold total assets amounting to $6 trillion in 1999 –. The ICGN and CalPERS press for the worldwide adoption of the Global Corporate Governance Principles, which amplify the OECD Principles referred to above. We would like to focus on section 4.d., *Disclosure and Transparency* of the ICGN version, which demands "accurate, adequate and timely information […] so as to allow investors to make informed decisions about the acquisition, ownership obligations and rights, and sale of shares". Among the information required, we find that the IGCN "asserts that corporations should disclose upon appointment to the board and thereafter in each annual report or proxy statement sufficient information on the identities, core competencies, professional backgrounds, other board memberships, *factors affecting independence*, and overall qualifications of board members and nominees [...]" (our emphasis).

This sounds familiar and sound enough. But CalPERS of course has a Board of its own, whose members are elected after publicising a ballot statement that is the sole source of information for CalPERS voters. We thus learn with some dismay that the Board amended section 554.4 on Candidate Statements in the regulations by which CalPERS abides. This amendment prevents candidates from stating the following: their "education and background, and a list of organizations to which the candidate belongs, and positions held in those organizations. Statements indicating the candidate's opinion or positions on issues of general concern to the System's membership may be included". The amendment also denies the Election Coordinator the right to "request the candidate to verify the truthfulness of any factual statements", for which "[t]he candidate shall provide timely verification upon such request", under the risk of being ousted from the ballot if she did not comply. That is to say, incumbent CalPERS Board members rejected the very transparency guidelines they so forcefully press for elsewhere, since at least the positions held in other organisations by candidates are certainly "factors affecting independence". The devil of transparency is mostly in the details: other candidates may challenge statements, but with a scarce five day deadline *after mailing* for filing these. These complaints then must an expensive procedure of private arbitration. Disincentives to information seeking and publicity are the equivalent to decoy and deception in satellite countermeasures, as they alter the cost structure of transparency-based control. In fact, the displacement of controversies to "private" and expensive areas could precisely part of the definition of non-transparency.

What we witness in this jungle of rules and amendments is a fight for control waged around transparency devices: actors A(ctivists) were trying to discipline actors B(oard) by forcing them to provide a flow of information that would enable other actors V(oters), who could exert control on B, to form a judgment on their behaviour, as meeting (or not) a standard for justification. This case further provides an explicit framework for this work of opening regimes of justification: California Constitution, in its Article XVI, section 17(b), states that "[t]he members of the retirement board of a public pension or retirement system shall discharge their duties with respect to the system with the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims". We note here that it is through a reference to a constructed "prudent person" that the legal/moral character of their behaviour will be appraised[19]. Transparency means here ensuring the flow of information that allows the public to verify this character of conformity to public standards, and discipline the actors accordingly.

5. Fighting opacity: the state under scrutiny

This section discusses several of the associations found on the left side of figure 2 with regard to the emergence or strengthening of transparency in the politics of finance, that is, in particular, in the area of financial regulatory policy. The rise of transparency in this area must largely be seen as the product of a changing view of politics in general, i.e. a means of introducing permanent scrutiny and a tendency towards "open government" (Curtin, 1998: p. 108).

The simplest and one of the most developed devices of transparency is *access to documents*. It usually takes the form of ensuring disclosure, publicity and accountability of policy processes and public finance. Access to documents reverses the very logic of state secrecy. The state now has to disclose all information and quickly. Furthermore, if it does not disclose, it has to motivate and justify its refusal to do so. This strongly contrasts with "étatiste" traditions like that of France, where the reference to *raison d'État* used to be enough to ensure the secrecy and opacity of large areas of public policy (but see Conseil d'État, 1998). The European Union has pushed the debate on transparency further than most of its member states. Since 1993, the EU has "opened up" its policy process as a response to criticisms concerning its opacity and complexity. Since Maastricht, the right to access EU documents is written down in article 255 of the EC Treaty. As a consequence, the EU has quickly surpassed most member states concerning access-to-documents regulation[20] (for an overview, Peterson, 1995). In European financial regulatory policy, as in most other regulatory policy areas in the EU, the access-to-documents procedure is mainly used by financial firms themselves or lawyers and professional lobbyists working for them[21].

Most firms' representatives or lobbyists, however, hardly ever have to go as far as to formally request a document. Commission officials usually send even preliminary documents rapidly to their contacts in the industry[22]. Moreover, the widespread use of *white* and, especially, *green papers* or *books* which was taken from the British civil service ensure systematic consultation of market actors. The green paper implies a pro-active attitude of the administration. It seeks to inform the public on the administration's projects and asks for reactions and comments, that may be included in a later policy proposal (Lodge, 1994: p. 349)[23]. The Financial Services Action Plan (FSAP), which is to remove remaining obstacles to the Single Market for Financial Services by 2005 (European Commission, 1999), has started with a wide consultation procedure with "Forum groups" discussing its main issues. Even though many participants were still unhappy about the actual input of these groups into the policy process, the Commission did circulate early drafts of most legislative proposals among the actors. In the case of the creation of a European securities' committee, a Wise Men group published a first report in November 2000, which was submitted to consultation to the industry[24], well before the publication of the final report in February 2001 (Lamfalussy, 2001: p. 13).

This kind of procedural transparency appears in this context as a means of promoting the integration of financial and banking markets in the EU. Consultation of market participants is to increase the efficiency of regulatory policy, as well as the legitimacy of these measures. Their implementation depends, especially in the area of – non-binding – "soft law", on the good will of the actors themselves. For instance, a recent voluntary code of business conduct laid down the rules of a European Standardised Information Sheet (ESIS) on home loans.

Credit institutions across Europe are to respect the format of this sheet in order to render data on home loans more comparable and, thus, transparent (EMF, 2001).

Transparency has another meaning in the context of EU financial regulation : it implies controlling and limiting state participation in the economy[25]. The so-called EU "transparency directive" governs the financial relations between public authorities and public undertakings. Any public funds made available to public undertakings are to appear separately and clearly stated in the latter's accounts[26]. The idea behind this is that state intervention will *necessarily* distort market competition. It is part of the more general policy of controlling and restricting state aids of any kind in the Single Market. The application of the "market investor principle" is to ensure that the state as an entrepreneur demands competitive rates of return, if it is to avoid the accusation of state aid (Pesaresi and Rochefordière, 2000).

In the financial area, this has led to two notorious interventions on behalf of the Commission. In the case of the bankruptcy of the then state-owned French bank *Crédit Lyonnais*, transparency required the French state to negotiate its rescue with the Directorate-General for Competition. Massive subsidies were eventually accepted on the condition that the bank be returned to the private sector by October 1999 (European Commission, 1998)[27]. More recently, a complaint against the system of state guarantees for German public banks has been filed by the European Banking Federation. German public banks had been targeted by an earlier complaint in 1993 and the transparency directive explicitly aimed at their particular corporate structure. In December 1999, a new complaint argued that liability guarantees granted to public banks by its owners distorted competition by yielding normally high "ratings" which would not be justified on purely economic grounds (EBF, 2000). As a consequence of the complaint, the guarantees are currently being reviewed and partly abolished. Transparency here becomes a means of ensuring the limited and exceptional character of state intervention in the economy.

The "transparency syndrome" has thus two main expressions in European financial regulatory policy. What we term procedural transparency is meant to ensure the openness and the legitimacy of the policy process. Actors are to be consulted and informed to avoid inefficient regulatory policies. Their input to the policy process shall also ensure the respect of regulation and the efficiency of markets. A second type of transparency protects the same market efficiency from state intervention. Intrinsically suspect, the state is put under closer scrutiny and its role in the economy is progressively restricted.

6. The polysemy of transparency

This section tries to pull together some threads from the preceding discussion. One of the major similarities in our examples is that transparency is about making things accurate, visible and comparable. Now, how is accuracy achieved? What is being compared to what, through what means of representing, and with what purpose?

We can at least try to begin answering these questions. We may distinguish two main "regions of practice" where transparency gathers distinct meanings. We may call these "disciplinary" and "enabling" deployments of transparency. What is characteristic of the first type is the effect of holding a behaviour to account in relation to a public standard, through a description as detailed as possible of events and decisions. The core of the second type of transparency is the setting up of an infrastructure for co-ordinated action (typically around exchange), where the amount of information about the intervening actors and objects is key to the initiation or stabilisation of joint operations.

To this we can add the dimensions of "literal" and "abstract" transparencies, which focus on the means of translating actors and objects into manageable entities. Making representations more or less mobilisable, letting actors see through devices or not, depends on the regime of co-ordination at work, on the political economy of monitoring or exchange that is enacted. In fact, some deployments of transparency are intimately connected to anonymity, whereas others are meant to enhance the identifiability of actors involved.

So we would be left with something like this table (see table 1), in which we have placed a number of illustrative concrete examples.

	Means of representation	
Uses of transparency	LITERAL	ABSTRACT
DISCIPLINARY	A statement of public money of a public undertaking (under the EU Transparency Directive).	A firm audit statement by Arthur Andersen.
ENABLING	A face-to-face marketplace.	An anonymous order-driven securities market.

Table 1: Uses of transparency and means of representation.

In a political context of "advanced liberal government at a distance", as the governmentality school would put it, the matter of the (political) representation of forces and interests seems to be intimately associated with the proliferation of transparency-making devices (access to documents and disclosure protocols or price discovery mechanisms, for instance[28]). On one hand, this proliferation is "expensive": it requires strong "investments in forms" (Thévenot, 1984) and the demolition of deeply rooted institutions (the transition from open outcry markets to automated quotation is a good example). On the other hand, it is "economic": it is usually driven by a "cost efficiency" philosophy, by a concern about economising (the reduction of the state's scale is usually presented in this way). Is this the reduction of the costs of control that haunted for decades the liberal utopia of a (transparent) market as the ideal interface between "auto-correcting" selves?

Have we located the seeds of a new "world of justification", in Boltanskian vocabulary? Probably not. Although transparency has come to be highly regarded in a number of spaces of public controversy, it does not seem to be the source of a "metric" for those spaces. But although not the source, it is certainly the precondition for increasing the "tension" of the "trials" (two key terms in the "justification school"). Calls for transparency would seek, in our reading, a redistribution in resources to hold to (public) justification, to construct accountability.

What changes does transparency both perform and codify in these recent years of its rise? The co-production of governance by civil society, market and state actors is likely to be a candidate. Monitoring is both transferred to and embraced by NGOs in the largest sense[29], as the Aarhus Convention shows. The distribution of power among actors, insofar as transparency is waged as a disciplining device *and* it is defined by certain costs structure, must be taken on board too, as in the rise of institutional investors. The transformation of state action from being a central player to securing the framework for other players may be another leitmotiv of current changes.

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[1] This work has unfortunately not (yet) been translated into English. An English overview is given in Boltanski and Thévenot (1999, 2000).

[2] There are several "justification regimes", each governed by a single "common superior principle". In the 1991 framework, Boltanski and Thévenot distinguished six different worlds: the civic, the domestic, the opinion-led, the inspired, the mercantile and the industrial. In later works, Boltanski and Chiapello (1999) have developed the notion of the "connectionist" or "networked" world (the *Cité par projets*), which they present as the "new spirit of capitalism" (see below).

[3] Other theoretical frameworks could also help to ground our analysis. We are thinking, for instance, of the recent developments of the Foucauldian idea of "governmentality": see Miller and Rose (1990) for an introduction and Dean (1999) for a presentation of the literature.

[4] *Réseau-Lu* is a software for content analysis and the analysis of heterogeneous networked data. For a description of the analytical properties of this system, see Mogoutov (1999) and Callon (2001).

[5] This includes "transparency", "transparent", "transparencies", "transparence", etc.

[6] The query was executed in May 2001. Among the many biases of this sample, two need to be mentioned. Some areas or poles on the map are referenced in the three databases while others are not, leading thus to numerical overrepresentation. The second concerns the structure of the databases themselves. *Econlit* has much longer abstracts than the two other databases and is thus over-represented, too.

[7] The graphic representation depends on the choice of several parameters, and further analysis could be performed with *Réseau-Lu* (in particular, an analysis through themes, or heterogeneous networks including other objects such as journals and editors, publication dates, and so on).

[8] Florini (1999) says on this "region of transparency" that "[i]n arms control, the last years of the Cold War accustomed major powers to the practice of inviting highly intrusive mutual scrutiny of one another's military forces, a practice now broadening to include many more governments, and large swaths of the private sector as well. The chemical industry, for example, is now subject to both regularly scheduled and surprise inspections at thousands of facilities around the world, under the terms of the Chemical Weapons Convention" (pp. 1-2). See also Florini 1997. Examples from our sample are: Moodie (1992), Chalmers and Greene (1994), Finel and Lord (1999). All three provide comprehensive literature surveys.

[9] These points of view correspond in part to different fieldwork orientations. Emiliano Grossman works on banking policy in the European context (Grossman, forthcoming). Emilio Luque has been working on the political import of new management tools (Luque, 2001). Fabian Muniesa is preparing a dissertation on exchange automation in financial markets (Muniesa, 2000).

[10] See Madhavan (2000) for a survey of this kind of literature and Madhavan (1996) and Bloomfield and O'Hara (2000) for examples of this literature that are actually present in our *EconLit* corpus.

[11] See Lee (1998: pp. 97-99, 224-247 and 255-271).

[12] This is the specific concern of Madhavan (1996) and Bloomfield and O'Hara (2000). See Lee (1998: pp. 255-271) for a discussion of "mandatory transparency".

[13] See Lee (1998: pp. 234-238) and Biais, Foucault and Hillion (1997: pp. 53-68).

[14] In this case, "abstract" should be understood in Georg Simmel's sense: it is not opposed to "material", it signifies the disappearance of the "personal element" (Simmel, 1990).

[15] See Muniesa (2000: pp. 134-143) for an analysis of early price discovery automation proposals.

[16] See Callon (1998) for a commentary on the relevance of Marie-France Garcia's work.

[17] That "activist shareholders" may now have the clout, resources and legitimacy to exert pressure on boards and management must be primarily connected to the momentous rise of institutional investors, which cannot be discussed at length here. See OECD (1998) and the special issue of *L'Année de la Régulation* (2000).

[18] We owe some of our sources to the controversies among the actors involved such as James McRitchie (see the editorial of the *Sacramento Bee*, 1999)

[19] This can be seen as a comparative procedure to invoke justice standards in a Boltanskian framework.

[20] A major exception are the Scandinavian countries and, especially, Sweden, where such procedures have existed for more than two centuries. See Gronbech-Jensen (1998).

[21] EU statistics reveal that those interested in documents are academics (20.4%), public authorities (20.8%), lobbyists (17.6%), industry (15.4%) and lawyers (12.8%). The general public accounts for 8.1%. Numbers are for 1998 and all policy areas included (European Commission, 2000).

[22] This is based on several interviews with banking associations and lobbyists in Brussels, Berlin and London during 2000 and 2001.

[23] There are also more informal 'consultation documents' fulfilling similar functions.

[24] And, in principle, anybody else, as the report was available on the Commission's website.

[25] Competition policy is the only area of EU policy where the Commission may investigate, judge and sanction. See Cini and McGowan (1999).

[26] Directive 2000/52/EC of 26 July 2000 (amending Directive 80/723/EEC); it enters into force on 1 January 2002.

[27] On the scandal of Crédit Lyonnais, De Blic (2000).

[28] A more complete account of this kind of devices should also deal with knowledge management tools, statistical and econometric indicators, surveillance protocols for electronic flow, etc.

[29] Within the WTO the term NGOs includes economic interest groups in addition to traditional environmental or humanitarian NGOs.