Predicting Public Sector Accountability: From Agency Drift to Forum Drift

Thomas Schillemans,* Madalina Busuioc[†]
*Utrecht University; [†]London School of Economics and Political Science

ABSTRACT

Principal-agent theory has been the dominant theory at the heart of public sector accountability research. The notion of the potentially *drifting* agent—such as independent public agencies, opaque transnational institutions, or recalcitrant street-level bureaucrats—has been the guiding paradigm in empirical accountability research. The aim of this article is first of all to signal the limits of principal-agent theory as a predictive model of how *accountability* evolves. A string of findings in accountability research shows that we are in practice often not dealing with the envisaged problem of *drifting agents* (or *actors* in accountability terminology). Unexpectedly, we encounter recurring reports of *drifting principals*, or more accurately *forums*, which mysteriously choose *not* to hold their agents accountable. The article puts forward possible reasons for the observed discrepancies encountered in public accountability research, by identifying why such situations are at odds with the model's assumptions, as well as theoretical suggestions on fruitful ways to go forward. In the end, this study seeks to provide building blocks for theories of public sector accountability with an improved predictive capacity. This is done by connecting descriptive studies of the multifaceted character of accountability to "classical" principal-agent theory concerns about agency and control.

INTRODUCTION

Over the past decades, governments in most developed countries have actively strived, although for a variety of different and more positively framed reasons, to increase "agency loss" and to create accountability problems in the delivery of public policies. They have done so by systematically, although oftentimes not programmatically, shifting executive powers and responsibilities away from the congested political-administrative centers of the state toward a host of third parties: nonprofit organizations, privatized state enterprises, networks, trans- and international organizations and semiautonomous agencies. The trend was fuelled by, the now relinquishing, New Public Management-thinking and is currently, to some extent, refueled by the financial impediments of an age of austerity. The resulting

"hollowed out" public sectors are, in the perspective of principal-agent theory, beset with accountability deficits and "agency loss" (Bovens 2007; Strøm 2000). This has been described as "THE public administration challenge of our time" (Dubnick and Frederickson 2010, 143).

In all these cases, the formal possibilities of national administrative centers as *principals* to control the organizations or networks executing public tasks as their *agents*, have been formally limited, creating much discussed *gaps* in systems of accountability for *unelected* powers (Vibert 2007; see also, Bovens 2007; Flinders 2001; Heinrich et al. 2010; Laegreid and Verhoest 2010; Papadopoulos 2007). The question, then, invariably is: how are these unelected new powers being held to account? The trend has been extensively described and analyzed in the public administration literature. Many authors have noted how systems of accountability have become more multifaceted and complex over time (Dubnick and Frederickson 2011; Olsen 2013), confronting administrators and street-level bureaucrats with overlapping and conflicting accountability demands (Klingner, Nalbandian, and Romzek 2002; Koppell 2005). The accountability literature has by and large been *descriptive*, unpacking the complex institutional arenas in which contemporary governance unfolds. Existing empirical studies of *practices* of accountability start off from, explicitly or implicitly, assumptions and expectations that are drawn from, or are consistent with, principal-agent theory. A principal-agent perspective would conceive the accountability problem of unelected governance as one of the potentially *drifting agents*, where the (conglomerates of) executive agents are prone to withhold information, serve their own bureaucratic interests and generally eschew accountability.

However, many of these empirical studies in the end reach conclusions that are *not* consistent with these principal-agent assumptions. It seems, as we will show and discuss at length in this paper, that we are in practice often not looking at problems of *driftingagents*, or *actors* in accountability terminology, but rather at situations of *drifting principals*, or more accurately *forums*, which mysteriously choose *not* to hold their agents accountable, disregard apparent wrongdoings and are sometimes surprisingly uninterested in what their agents actually *do*. It is by all means not all forums, and as we will see, and some forums are diligent in discharging their accountability duties. Others however, flying in the face of theoretical expectations, fall short in their monitoring roles.

This article aims to make sense of a string of findings in accountability research that signal, we believe, the limits of principal-agent theory as a predictive model of how accountability *processes* evolve. Our aim is by no means a critique of principal-agent models in general but rather their predictive applicability *in accountability* studies. This article serves as a warning against indiscriminately applying principal-agent assumptions to accountability research (see also Skelcher 2010). It discusses their limitations on the basis of empirical findings, and provides possible explanations for the observed discrepancies as well as suggestions, in the conclusion, on fruitful ways to go forward. In the end, the paper seeks to provide building blocks for theories of public sector accountability with an improved predictive capacity. This will be done by connecting descriptive studies of the multifaceted character of accountability to "classical" principal-agent theory concerns about agency and control.

PUBLIC ACCOUNTABILITY

Accountability is a fundamental norm in public administration, related to alluring promises of democratic governance, appropriate behavior, justice and better performance (Dubnick and Frederickson 2011, xvii). Accountability refers to very basic processes whereby actors record and disclose their behavior, in the broadest sense of the word, to an external audience (forum or principal). The concept has over the years been interpreted in ever-broader ways (Mulgan 2003). Flinders (2014) even suggests that it has emerged as the über-concept of the twenty-first century in light of its centrality in recent administrative reforms and as a subject of frantic scholarly activity.

As Strøm (2000) argued using agency theory, accountability (theoretically) thrives best when there are direct hierarchical lines of command in the policy process, between the electorate and the agents executing public policies, that are complemented by clear accountability demands that run in the opposite direction (see also Przeworski, Stokes, and Manin 1999). Most authors assert or assume that public administrations traditionally mirrored Strøm's ideal situation quite closely but the gist of many public sector reforms since the late 1980s has been to effectively thwart central administrations' possibilities to hold the agents delivering public services to account.

At an elementary level, accountability denotes relationships between two (or more) parties, where one party is obliged to account for his or her behavior to the other(s), and where specific mechanisms are deployed to make him or her behave in an accountable manner (Dubnick and Frederickson 2010, 144). To flesh out such accountability processes, Bovens' (2007) definition is widely used: "accountability is understood as a communicative interaction between an actor/accountee (person or organization) and a forum/account-holder, in which the actor is under an obligation to give an account of its behaviour (in the broadest sense of the word), which is then evaluated and judged by the forum, in light of possible consequences." It should be noted that when speaking of accountability, the terms used are "forum" and "actors" as opposed to the "principal" and "agent" of the P-A model. The "principal" (i.e., the body or institution delegating certain powers or authority to an agent) is not necessarily synonymous with the accountability "forum." Usually, after the delegation of powers by the principal, agents are subject to the oversight of multiple accountability forums, which can include the direct principal, but also third parties or institutions with partially opposing mandates. Accountability is a relationship between an actor and a (variety of) forum(s) with the authority to monitor and assess its behavior, and the principal is normally just one of multiple account-holders.

The relational core of accountability connects formal definitions of accountability to the essentially relational principal-agent theory, experimental studies in social psychology and the existing typologies in public administration research. These relational aspects of accountability processes have systematically been studied most by social psychologists, following the seminal work of Tetlock and colleagues (see Lerner and Tetlock 1999; Bergsteiner 2012 for overviews). In this research tradition, authors have defined accountability as the expectation that one may be asked, often by an authority or one's superior, to justify one's thoughts, beliefs or actions. Subsequent research has then investigated the effects of different forms of accountability on the answers given, decisions taken or actions performed by the accountable agent. It matters a great deal,

for instance, whether an agent is held accountable for the *results* of its actions or for decision *processes* (Vieider 2011) and also whether the agent knows of does not know the views of the audience to whom it is answerable (Pires 2011).

Underlying these, and other related, studies is the assertion that interindividual accountability processes link individual decision-makers to the social systems in which they operate and to fundamental social norms and values dictating "appropriate" (or: accountable) behavior (Tetlock 1992, 337). At a more macrolevel, this entails, and requires, sensitivity to the fact that the meaning, content and practice of accountability is not predetermined and exogenous to politics, but will be shaped by "living institutions" and the broader political order (Olsen 2013). Accountability processes are "battlegrounds" for competing claims and worldviews and occasions for identifying and confirming collective purpose and meaning (Olsen 2013).

Systems of accountability have widened over time, both in terms of actors and content, to include more and more entities (Heinrich, Lynn, and Milward 2010, 9; Skelcher 2010, 172) and obligations. Romzek and Dubnick (1998, 229) developed a widely used four-part typology of accountability, distinguishing between political, legal, bureaucratic and professional accountability. Each form of accountability is relevant to accountable agents in the public sector and comes equipped with specified institutional forms, norms and behavioral expectations. Others have devised related typologies of accountability, differentiating between vertical, diagonal and horizontal accountability (Bovens 2007) or market, political and bureaucratic accountability (Klingner, Nalbandian, and Romzek 2002). These, and similar, typologies invariably reach the conclusion that agents operate in "webs" (Page 2006) or "pyramids" (Hodge and Coghill 2007) of accountability. Expectedly, complicated webs or pyramids of accountability easily lead to confusion, malfunction (Koppell 2005) or even tragedies, such as the Challenger tragedy (Romzek and Dubnick 1998).

These prevalent typologies of public accountability in the public administration literature are all *descriptive*. They are of great help in identifying different forms of accountability and also help in retrospect to make sense of—tragic or exemplary—decision-making or policy outcomes. However, these typologies are less suitable for *predictive* usage in terms of the design of accountability mechanisms or the formulation of hypotheses for the study of the behavior of persons and organizations in accountability processes. In order to model the expected behavior of accountability forums and actors, an additional theoretical framework is necessary. In accountability studies, principal-agent theory is the natural and customary theoretical approach (see also Olsen 2013). Principal-agent theory may be combined with the accountability typologies advanced by Romzek and Dubnick, Bovens and others, because they all assume a relational core between an agent or actor and a principal or forum.

Principal-agent theory has thus been the prime theoretical device used in accountability studies to generate hypotheses about the likely behavior of parties in accountability processes. The primacy of principal-agent theory is for instance, documented in a recent overview of accountability studies based on an analysis of 210 published papers (Schillemans 2013). But even where authors do not explicitly use principal-agent theory, but rather work within the parameters of popular typologies of accountability (Behn 2001; Bovens 2007; Romzek and Dubnick 1998), most public administration research reflects assumptions typically addressed in principal-agent theory.

Almost all public administration papers investigating "accountability" over the past decade deal with one or another form of potentially runaway agents (Schillemans 2013). The tendency is to focus on cases of devolution, where the agents executing or performing public duties seem to or run the risk of becoming independent of their political or administrative principals. Thus, a sizeable part of the literature focuses on situations where services are not delivered by bureaucracies or via established bureaucratic routines but rather are provided by more or less independent, more or less public, organizations. In a similar vein, many other papers focus on the consequences of policy networks, notably the rise of public-private partnerships. The internationalization of policies, for example in the EU and through the World Bank, is another instance that has attracted scholarly attention and can be understood as an accountability problem. What ties these various papers together is that the specific forms of service delivery—through marketization, privatization, disaggregation or in networks—blur the strict lines of command, control and accountability that are said to have existed in the past. It is then difficult to hold the agent delivering the service accountable for its actions or accomplishments, because it is partially autonomous and/or only partially responsible for outcomes. The central question is, then, how to "control and uphold obligations to citizens in complex governance arrangements involving multiple, third-party actors" (Heinrich, Lynn, and Milward 2010, 7).

P-A-derived behavioral expectations are also implicit in the manner in which accountability is conceptualized, even when principal-agent theories are not explicitly referred to as such. For instance, prevailing conceptualisations of accountability (Bovens 2007; Mulgan 2003), also implicitly reflect P-A assumptions. Accountability in these conceptualisations refers to *an obligationor a duty on the part of the actor* to provide information and to explain and justify its actions. There is an implicit assumption of conflict between the two, leading to a mistrust of the actor (and therefore, a need for informing and justification of actions to the forum). It is the actor that is outright assumed to be problematic and therefore, accountability is envisaged as a one-sided obligation on the part of the actor towards the forum. No duties are provided for the accountability forum. From an accountability theory perspective, this is somewhat odd; after all, accountability is a relational, interactional process. It is however, consistent with and reflects P-A assumptions of "principal supremacy" (Meier and Krause 2003, 301) and "recalcitrant agents" (Waterman and Meier 1998).

ACCOUNTABILITY DEFICITS IN THEORY

Principal-agent theory has been extensively applied in studies of how central administrative actors, such as elected officials in the executive and legislative branches of government or central government departments, can control the unelected agents of the bureaucracy or quasi-autonomous government agencies (Epstein and O'Halloran 1999; Gailmard 2014; Krause and Meier 2003; Lupia 2001; McCubbins, Noll, and Weingast 1987, 1989; McLaughlin and Osborne 2003; Moe 1984; Waterman and Meier 1998; Wood and Waterman 1991; Shapiro 2005; Wood 2011).

The P-A framework essentially portrays a contractual situation, in which the principal is the rightful "owner" of a job and has chosen to hire a third party to actually

carry out the job.[1] The relationship is portrayed as a model of conflict, because the theory assumes from the outset a (level of) goal conflict between the two parties in a contract situation (Mitnick 1980).

The agency problem of the principal essentially is how to effectively tie the agent, given its conflicting interests, to the explicit and implicit terms of their contract. The agency problem is spiced with information asymmetry, moral hazard, and limited political and economic resources to monitor all agents extensively. The principal generally needs a combination of (ex ante and ex post) controls and sanctions to ensure that the agent acts sufficiently according to his will (Moe 1984; McCubbins, Noll, and Weingast 1989). Implicit in the theory is that necessarily some compromise on control will take place but that this is preferable to alternatives and that the principal is nevertheless better off as a result (Bendor and Meirowitz 2004; Epstein and O'Halloran 1994; Huber and Shipan 2002).Principals are likely to accept *some* level of slack and inefficiency from their agents, given the considerable costs of monitoring and sanctioning (McCubbins, Noll, and Weingast 1987), as we will see more at length below. And in some cases, it might be in the principal's interest to limit its control options (for instance, in order to sustain an expert bureaucracy and make it worthwhile for the agent to invest in information and expertise, Gailmard and Patty 2007; 2013).

Principal-agent theory has been widely adopted. It finds support in a large body of empirical work and "has become the predominant paradigm in the study of bureaucracy" (Meier and Krause, 2003, 297). At the same time, its inherent limitations have also been noted. For instance, its two driving assumptions: goal conflict between agent and principal and informational asymmetries are said to vary as opposed to being constant features, leading to the need to adjust assumptions in a variety of scenarios (Meier and Krause 2003, 10; Waterman and Meier 1998). While it is true that distinct organizations will, in the final instance, likely have different interests—for example the agent is likely to be more attached to its own survival than the principal; the agent might place greater value on its own contractual conditions, whereas the principal might emphasize profit maximization at minimum cost (Wood 2011)—on most of the issues, on a given day, there can well be goal congruence between the two (Meier and Krause 2003, 10; Waterman and Meier 1998). Precisely its strengths as a theory— the ability to simplify reality, parsimony— have opened it up for criticism as to the need for added nuance(s), by "non-P-A" but also by P-A authors themselves (for example, limitations and critique are noted in Gailmard 2014; Meier and Krause 2003, 10; Moe 1984; see also, Wood 2011 on this point and a response to most common P-A criticism).

The quest for theoretical refinement has given rise to a prolific literature, which has in fact developed "a family of formal models addressing related concerns" (Gailmard 2014), in which a multiplicity of variations in institutional arrangements are modeled, some of the initial assumptions are revisited, relaxed and/or even dispensed with, extended assumptions are provided and detailed conditions are worked out for their operation (see Bendor, Glazer, and Hammond 2001, for a review of delegation models; Wood 2011, for an review of agency theory and political control of the bureaucracy; Gailmard and Patty 2012, for a review of major themes).

---

1   The model is often described as a contractual relationship (or a series of relationships) between a buyer (the principal) and a seller (the agent) of goods and services.

Principal-agent is sometimes used as a *descriptive* model and as an *explanatory* model that helps to make sense of research findings (see Bendor, Glazer, and Hammond 2001; Gailmard 2014; Waterman and Meier 1998). In addition, it has also been used as a *predictive* model from which expectations or hypotheses can be derived about the likely behavior of actors and forums in situations of accountability deficits. It is in this predictive capacity that we address principal-agent theory here. The standard expectations for principals and agents in *accountability processes* would be the following:

(1) The principal delegates a task it actually *cares about* to an agent. Delegation of a task may take place for a variety of reasons but it is functional in character (Pollack 1997). Sometimes the agent has more resources or superior knowledge, often it is simply more efficient to have another organization carry out the job, and sometimes delegation is a method of creating credible commitment or to safeguard preferences beyond the horizon of an elected official's tenure. Whatever the precise reason behind the delegation, the theory would assume that the principal is the owner of a task, that it is attached to this task and cares about it and seeks to have it executed in the most efficient way, in light of its other preferences and obligations (Breaux et al. 2002, 94; Bovens 2007, 455). Of course, the literature has revealed additional, sometimes outright conspirative, reasons for delegating tasks to others. Principals may also delegate a task to some other agent in order to shift or avoid the blame for problematic outcomes (Fiorina 1982), as a method of retaining the interesting parts of the job while shifting the tedious parts in a process of bureau shaping to others (Dunleavy 1991), or to transfer risks to agents (Lehn 2008, 962). These, and similarly cynical views on delegation, still imply that principals, albeit buried beneath cynical and selfish reasons, nevertheless seek a task to be accomplished and attach at least *some* value to it.

(2) The principal source of conflict in principal-agent theory stems from the fact that the agent has (partially) *different objectives and goals* from the principal and is self-centered and opportunistic. This might lead, when uncorrected, to "bureaucratic/agency drift" (Hammond and Knott 1996; McCubbins, Noll, and Weingast 1987; 1989; Pollack 1997). Principals will try to contain agency loss with a combination of *ex ante* and *ex post* controls (such as contract design, screening and selection mechanisms, monitoring and reporting, and additional institutional checks, Kiewiet and McCubbins 1991), within the reasonable confines of limited resources and against the background of a fuller set of priorities and obligations. Accountability in this view, then, is essentially a process of curtailing agency loss in delegation (Mattli and Büthe 2005, 401; Strøm 2000), of maximizing bureaucratic compliance by constraining and molding the conduct of the agent in line with the preferences of the principal.

(3) The problem of agency drift is further exacerbated by the fact that the agent is understood to be at least at some level autonomous and capable of real agency (Acar, Guo and Yang 2008; Bardach and Lesser 1996; Mattli and Büthe 2005, 401). The agent can make its own choices, with the risk that the principal will not know about them and its hidden actions may go unreported, giving rise to a potential deficit in terms of accountability. It is precisely for this reason, i.e., the agent's capacity for action, that controls are introduced as a matter of contract design. The agent

does not, and will not, disclose its actions to the principal, it would be naturally assumed, unless it is somehow obliged to do so.

(4) Predictable agents, being rational, self-serving and self-centered, are expected to resist demands for accountability (Breaux et al. 2002, 93; Müller 2000; Strøm 2000). Rational actors may be expected to nurture the advantages that follow from their superior knowledge and informational advantage and exploit the possibilities offered by the conventional information asymmetry. They will therefore, with some exaggeration, naturally prefer secrecy and they will duck and shy away whenever possible. Particularly for these reasons (propositions 3 and 4), accountability deficit research is often about the problem of failing agents: agents failing to be accountable and failing to pursue the interests of their principal.

(5) Principals, on the other hand, are expected to actually *want* to hold their agents accountable. To rational principals, accountability is largely about enforcing compliance with their stipulated preferences, goals, norms and regulations (Auel 2007; Müller 2000, 327–9; Whitaker, Altman-Sauer, and Henderson 2004, 115). This does not imply that principals will spend a lot of time and resources to do so. Sanctions could be costly for principals (McCubbins, Noll, and Weingast 1987) and therefore, the principal would weigh the benefits and the costs of applying controls (Huber and Shipan 2000; Moe 1987; Thatcher 2005, 350). It could be, for instance, that the principal chooses to rely on more indirect and often not clearly visible means of oversight, rather than on visible, direct measures i.e., "fire alarms" rather than "police patrolling" (McCubbins and Schwartz 1984). Nevertheless, whatever the style and intensity of accountability preferred by the principal, at its basis, the expectation would still be that the principal actually *wants* to hold the agent accountable, albeit in a cost-efficient way, and that the principal will take the mechanisms that it has instituted to hold the agent accountable seriously.

(6) Assuming principals actually *care* about the delegated task, assuming they *want* to hold their agents accountable to some degree, and assuming principals have preferences and want their agents to act accordingly, it is also logical to hypothesize that principals *will redress undesirable actions* of their agents whenever the accountability process uncovers those (Dunn and Legge 2001; O'Connell 2005). Agents who are found to stray from stipulated paths thus need correction. The principal agent model "does have a normative element in that principals are supposed to control agents" (Waterman and Meier 1998, 180).

(7) The central problem within the principal–agent model is that of containing agency losses and bureaucratic drift; or: of correcting and controlling the (potentially) failing agent. It is, then, about ensuring that a naturally obstinate agent will disclose its actions and render an account of its behavior to the principal. The centrality of this issue in accountability studies follows logically from its empirical focus on the many cases where executive or regulatory duties have been delegated to "others." The "other" may be a (quasi-) independent public body, a private sector provider, a network, an NGO or a trans- or supra national entity (Bovens 2007; Flinders 2001; Mulgan 2003; Papadopoulos 2007). In all of those cases, principals, democratic institutions, and academics are found to worry about the level of discretion of these agents and their abilities to contain agency losses.

ACCOUNTABILITY DEFICITS IN PRACTICE: DISCREPANCIES EMERGE

These basic behavioral expectations seem sensible and logical enough. Empirical research also corroborates some of the assumptions. However, a string of empirical research projects, investigating cases of accountability deficits with a focus on how agents and principals actually behave, provides little support to the theory of the accountability deficit outlined above. We will now revisit these expectations on the basis of our and other researchers' findings. We base our discussion primarily on (Schillemans 2011; Busuioc 2013) and will complement these with findings from a large body of related accountability research projects. The table 1 provides an overview of studies that support the contrasting findings discussed in this section.

> (1′) A rational and logical approach to the delegation of tasks would assume that the principal delegates something it finds important to some other entity. However, principals in the public sector sometimes do *not actually care* about the tasks they have delegated in the first place or about the agent they have established. Research projects display a surprising propensity among principals to be critical, to the point of being explicitly hostile about the ideas and goals behind policies being executed by their agents.

This finding is evident in a variety of accountability research projects. Dicke (2002) for instance, points at the lack of political will to support a given course of action and Mattli and Bütthe (2005) point at changes in the macropolitical environment. In both cases the political principals become constraining external contingencies for the tasks executed by their own agents. Principals are also found to contravene regulations they impose themselves (Farrell and Law 1999) while, conversely, their regulations may also be found to contravene the proper execution of a task (Jos and Tompkins 2004). Furthermore, principals may also delegate tasks *without* accompanying goals, essentially leaving it to the agents to come up with goals for their actions (Mörth 2007).

In a study of the accountability of 13 Dutch quasi-autonomous public agencies (Schillemans 2007), the responsible parent-departments were often found to be the most critical external stakeholders. Even though agencies were performing delegated tasks, the formal delegators could be very critical and even threaten to terminate the job or the agency altogether. In a number of cases, this threat subsequently materialized and the organization was dissolved or the task was discontinued. It was often the agent that was trying to rescue a delegated task from negligence or adversity of the formal delegator.

Busuioc (2013) showed, in the setting of European agencies, how also account-holders were found to drift from established goals, placing conflicting and irreconcilable pressures on the executive agencies in the process. Management board members of the European agency are often also the heads of the corresponding national agencies. In other words, they steer and monitor the European agency, which is in direct competition with their national offices. Reportedly, some agencies' board representatives, one of whose key formal tasks is to oversee agency performance, showed little concern for agency performance. In the words of one agency head: "I've sat through some 25 meetings of our supervisory bodies and not once have they asked: 'and how is the office going?' They are completely uninterested." Keen to protect their national offices, not only do board

Table 1
Overview of Discrepant Empirical Findings

Basic Expectations from Principal-Agent Theory	Contrasting Research Findings	Literature
1. The principal *cares* about the delegated task	1′ The forum does *not* seem to care about the delegated task	Busuioc (2013); Schillemans (2007); Breaux et al. (2002); Farrell and Law (1999); Dicke (2002); Klingner, Nalbandian, and Romzek (2002); Mattli and Büthe (2005); Jos and Tompkins (2004); Mörth (2007)
2. The agent has (partially) different goals	2′ The actor is highly committed to the formal task	Busuioc (2009, 2013); Schillemans (2011); Bardach and Lesser (1996); Dunn and Legge (2001); Dicke (2002); Jos and Tompkins (2004); Whitaker et al. (2004); Lehn (2008); Groenleer (2009); Martens (2010); Olsen (2013)
3. The agent is fairly autonomous	3′ The actor is found to be much less autonomous than expected	Busuioc, Curtin, and Groenleer (2011); Busuioc, Groenleer, and Trondal (2012); Schillemans (2007); Flinders (2001); Van Thiel and Leeuw (2002); Pollitt (2003); Demmke et al. (2006); Lehn (2008); Groenleer (2009); Martens (2010); Dubnick and Frederickson (2010)
4. The agent is unwilling to share information and to account for its behavior	4′ The actor actively shares information and sometimes solicits accountability	Busuioc (2013); Schillemans (2011); Jabko (2003); Yesilkagit and van Thiel (2008); Magill (2009); Koop (2011); Reiss (2011)
5. The principal wants to hold the agent accountable in the most efficient way	5′ The forum neglects information/accountability processes	Busuioc (2013); Schillemans (2011); Dicke (2002); Brandsma and Schillemans (2013); Trappenburg (2008); Brandsma (2010); Heinrich et al. (2010); Dubnick and Frederickson (2010)
6. The principal will correct and discipline failing agents	6′ The forum does *not* correct failing agents	Busuioc (2013); Brandsma and Schillemans (2013); Dicke (2002); Thatcher (2002); Thatcher (2005); Lamothe and Lamothe (2008); Brandsma (2010, 2013)
7. Central issue is containing agency loss and agency drift	7′ Central issue is activating forums to discharge their accountability duties	Busuioc (2013); Schillemans (2011); Brandsma (2010); Skelcher (2010)

members not take an interest in the performance of European agency, but reportedly, effectively seek to halt it: "When they come to [the agency], they talk about the 'worries of their offices'. They don't say it in that way but they try to stop development from our side. That's what it is. And that is a very strange role for an administrator: they don't want us to get better." Management boards at times push for their national interest to the detriment of the European agency's interests, which results in divergent and irreconcilable pressures on the agency. The agency occasionally finds itself in the position of having to fight its own board in order to follow up on the demands of another accountability forum (e.g., financial soundness requirements from the European Court of Auditors).

A comparable example can be found in Breaux et al. (2002) reconstruction of the applicability of the principal-agent model in a case of welfare reform and privatization. They aimed to understand, following P-A logic, whether a decision to delegate a task away from a principal could be understood as a method to reach established goals more effectively. To the contrary, they found that the decision to privatize the welfare work did not, and was not aimed to, strengthen the welfare work but rather, in the words of a respondent, "undermine[d] what we are trying to achieve." They (Breaux et al. 2002) then concluded: "Traditional principal-agent theory is an insufficient tool for understanding the complex interrelationship between democratic actors in this particular case."

Where principal-agent theory would forecast (potential) agency drift, empirical findings rather suggest *forum* drift: the accountability forum drifting away from agreed upon goals and measures.

(2′) Principal-agent theory suggests that the principal source of conflict in a situation of delegated governance would be that self-centered and opportunistic agencies have (partially) different objectives from their principals and from what has been laid down as the formal policy for an agency. However, and this was already implied above, research on the behavior of agencies suggest that they often are strongly attached to the job at hand and to their formal and historical task (see Olsen 2013. See also Dicke 2002; Groenleer 2009). National and European agencies are found to be guardians of specific policies and contents and they are, in line with their formal mandates, strongly protective of the independence of their expertise against political intervention (Busuioc 2009; Groenleer 2009; Martens 2010; Schillemans 2007).

A similar finding was reported by Lehn (2008). He used the principal agent-model to assess organizational performance of contracted not-for-profit organizations. He found that the model was only partially applicable to relationships between governments and contracted not-for-profits, as these organizations also have relational goals with their constituencies, which are difficult to comprehend and acknowledge on the basis of the strongly performance-oriented model of agency theory.

The principal source of conflict in these and other empirical examples is, thus, *not* that the agent drifts away from its formal mission and task (but that the principal or the forum does so). Institutionalization theory would be suitable to explain and understand why existing agencies and other executive agents can be found to be "defenders" of a given policy and style of implementation (see Olsen 2013). However, the fact that agents are strongly committed to priorities laid down in their formal

mandate, raises questions about the general applicability of agency theory as a theory that would predict their behavior in accountability.

(3′)   Most accountability research starts from the problem described by Posner (2002) as "third-party government" (see also Heinrich, Lynn, and Milward 2010). Third parties such as agencies, the EU, networks, nonprofit organizations or local governments bear the responsibility of executing a given task and central governments, the argument goes, are faced with an accountability problem arising from the fact that those agents have *discretion* and real powers to influence outcomes. In other words, it goes back to the principal-agent assumption that agents exercise a level of bureaucratic discretion: "They must by definition have discretion in order to shirk" (Waterman and Meier 1998, 195).

However, many authors starting from the presumption of problematically autonomous agents end up concluding that the level of real autonomy is often a lot smaller than was expected beforehand (see Demmke, Hammerschmid, and Meyer 2006; Pollitt 2003; Van Thiel and Leeuw 2002). Dubnick and Frederickson (2010, 155) for instance, conclude that two American agencies are caught up in a "kind of marathon dance of accountability" in which contracts are permanently renegotiated. A similar "marathon dance" is reported for Dutch agencies where the formal contracting process reportedly runs from February to November (Schillemans 2007) and in these lengthy contracting processes, principals managed to get what they wanted, irrespective of the formal autonomy of their agent. Schillemans (2007: 271) for instance, concluded that principals remain the most influential external stakeholder for independent agencies. A respondent noted: "The direction our organization takes … that is fully dependent on what the minister wants, I believe." Other respondents spoke in a similar vein. Busuioc (2013, 102–3) also noted the European Commission exercises ongoing control over European agencies, informally, postdelegation, despite all the formal rhetoric of autonomy. The organizational autonomy literature (e.g., Verhoest et al. 2004), as well as specific studies of European agency autonomy (Busuioc, Groenleer, and Trondal 2012; Groenleer 2009; Martens 2010), further underscore this point.

Moreover, what our and other investigations suggest is that the level of control on formally autonomous agencies is often much larger than expected from the outset. Van Thiel and Leeuw (2002) phrase this as a paradox: increased levels of formal autonomy go hand-in-hand with increased demands and ever thickening layers of accountability (see also Demmke, Hammerschmid, and Meyer 2006, 82–3; Pollitt 2003, 49). Flinders (2001, 249; 273) relates this, in his discussion of managerial accountability of English agencies, to Michael Power's idea of the "audit society." The public officials he interviewed in public agencies had a strong and vivid experience of information overloads through accountability and incessant demands for more accountability information. In a similar vein, studies of supposedly autonomous agencies found that they actually worked under fairly advanced demands for accountability and had to report to a large number of account-holders, comprising both hierarchical superiors, as well as specialized bodies such as inspectorates and partners and clients (see Bovens, Curtin, and 't Hart 2010; Busuioc 2013; Hood et al. 1999; Koop 2011). Furthermore, such obligations often do not reflect differences in agency power and autonomy and therefore often result in overloads (Busuioc, Curtin, and Groenleer 2011). All in all, these

and other studies suggest that the problem of independent "third parties," operating without accountability obligations and being able to control their own behaviors, is not a particularly accurate description of what empirical studies of delegated governance find. The agency may be an agent but this does not imply that it has a lot of *free agency*: its actions are to a large degree (pre-) determined by its principal and the level of accountability and reporting requirements often seem to be higher than for "normal" central government departments.

> (4′) The fourth assumption relates more specifically to the behavior of agents who carry out a delegated task. The standard assumption following from agency theory would be that rational agents would try to defy, duck or game accountability obligations. As described above, however, a large number of empirical projects show that unelected agents often work within a fairly demanding and broad network of accountability demands and obligations. What is more, and from a principal-agent perspective unanticipated, is that many agents were actually found to solicit accountability, asked for it, sometimes helped or instructed their principals, and even set up accountability mechanisms of their own.

Busuioc (2013, 250) for instance, observed how European agencies started "lobbying" the European parliament for hearings and parliamentary visits, "voluntarily enveloping themselves in new accountability ties" in the absence of any formal obligations to do so. Schillemans (2007) similarly reported an initiative by a cluster of agencies to institutionalize new, "horizontal" forms of accountability and voluntarily included their principals in the process. One Dutch agency worked hard to arrange for a parliamentary hearing to be organized about its work, although the MPs remained thoroughly uninterested. And there was a sense of huge disappointment within the agency when the Parliament eventually annulled its annual debate on the organization's budget. Koop's (2011) research on the accountability of agencies and regulators further underscores the point. She described on the basis of a large quantitative study how most agencies would, at least to some level, adopt voluntary mechanisms of accountability. Similarly, Magill (2009, 860) found in the case of self-regulation in the US context that administrative agencies routinely "voluntarily constrain their discretion" although "no source of authority requires them to do so." Reiss (2011, 614) also finds evidence, in the US context, on the basis of detailed case studies, that agencies actively "seek accountability" and voluntarily enhance their accountability. In her words, "agencies often willingly join in and strive to be accountable. They may well invest substantial effort in increasing their accountability. Not all agencies do this all the time and not all do it well. But in today's administrative environment, agencies need accountability, and being sophisticated actors, they work at achieving it."

> (5′) Irrespective of whether principals choose to use high or low levels of monitoring in order to keep their agents in check, the rational assumption would be that they would take the requested accountability information received seriously and that they would generally find this type of information important. However, the account-holders in our and other research projects actually did not. Dubnick and Frederickson (2010, 157) for instance, describe how Congress passed the Government Performance and Review Act in 1993 in order to improve

governmental accountability. To this end, state agencies were required to draft more detailed and transparent performance information for Congress, but once put into effect, "there does not appear to be a continuing congressional interest in performance measurement."

In another case, Busuioc (2013, 247) describes how delegates were "'dormant' in their watchmen roles," how they displayed a low level of involvement, low levels of preparation and sometimes remained consistently and completely silent during meetings where they were to hold European agencies accountable. A European agency head gave a telling anecdotal example on board preparation: "Some years ago, we made a mistake. We sent a mailing to the board (…) There was one page missing, not for all members but for half of the members of the board. And before the meeting we didn't hear anything. Nobody noticed. They didn't read the document before they came to the meeting" (Busuioc 2013, 88). Similarly, some European Parliament committees display little interest in scrutinizing agencies despite formal powers in this respect, with poor attendance at hearing meetings and a low level of knowledge on agency matters. Some accountability forums, did however, behave as expected. The study also revealed forums that discharged their monitoring roles diligently such as the European Court of Auditors, the Court of Justice of the European Union or the European Ombudsman (Busuioc 2013).

Similar findings are reported in other research projects. Heinrich, Lynn, and Milward (2010, 3) find that there is generally little oversight of for-profit and nonprofit "agents of the state." Accountability forums sometimes appear to be quite uninterested in the accountability information requested at an earlier stage (Brandsma 2010; Dubnick and Frederickson 2010). Trappenburg (2008) for instance, reports how representatives of clients came unprepared and even uninterested to meetings where they were to hold their service providers accountable. Agencies report that their accountholders disregard information requested and sometimes do not bother to actually read it. Account-holders, although there are important variations, often find it more important to see that their agents report to them but they often lack interest in the actual content of what is reported.

(6′) A rational perspective on the behavior of principals would further suggest that they have certain preferences and seek to fulfill those preferences through their agents. Furthermore, should the principal find out that the agent strays away from his preferences, it would be natural to use available sanctions to discipline the agent? Again, our two researches came to different findings than these theoretical expectations would suggest. Accountability forums (which can include the principal(s) but are not restricted to them) were often found to be hesitant to the point of negligent in using sanctions. Brandsma (2010, 152–6) concluded on the basis of a survey that principals of European committees rarely used formal sanctions such as dismissals in practice and that actors did not regard such sanctions as a realistic threat (a respondent reportedly qualified it as "an absolutely incredible option," Brandsma 2010, 153). Busuioc (2013) reports how in managerial accountability she found really no use of formal sanctions whatsoever. Despite the fact that in specific cases dissatisfaction with the work of the director was reported, the ultimate sanction of dismissal was never used in practice by boards. These findings are in line with

conclusions at the national level, where a low level of formal sanctioning has been documented. The study by Thatcher (Thatcher 2005, 357; see also Thatcher 2002) on the use of formal controls by elected politicians vis-à-vis independent regulatory agencies for instance, found that in a significant sample of regulatory agencies from Britain, France, Germany and Italy, not a single agency member had been formally dismissed. Lamothe and Lamothe (2008) even show that contracts may even be renewed when agencies do a bad job. On the basis of a large-scale analysis of contracting and accountability they reach the conclusion that: "Poorly performing competitive contractors are no more, or less, likely to lose contracts in the next round." Finally, Schillemans (2007) came to a similar conclusion as to the absence of sanctions. As other authors, his analysis finds that agency theory falls short in predicting the behavior of forums in accountability processes who, although commissioned to demand accountability, are often found to shy away from resorting to their ultimate consequences: sanctions.

(7′) In conclusion, the central problem of accountability in a principal-agent approach would normally be making the potentially failing agent live up to its role. In the literature described above, however, we find no overarching problem of agency drift. Rather, while there is variation among forums, there are numerous instances of failing forums. Failing in the sense of *not caring* about the delegated tasks, *not wanting* to hold their agents accountable, *drifting* away in preferences from what has been formally instituted, *failing* to take accountability information seriously and *failing* to correct and redress the behavior of agents when feasible. What is more, forums were generally found to be satisfied with the existing situation. Busuioc (2013, 261) for instance, stated that none of the accountability forums involved referred to failures or refusals on the part of the agencies to comply with their account-giving obligations. And Schillemans (2012), in a survey on how central government departments and agencies rate their mutual collaboration, paints a similar picture. The popular problem of uncontrolled power of agencies is fully absent from the responses of the government departments. Account-holders are generally positive about their relationship with their agencies and feel that they are appropriately and fully informed by their agents, although they often know precious little about the behavior and choices of their agents. Conversely, however, agencies were a lot more critical about their relationship with their principals, and forums more broadly, and often they did not feel that they were taken seriously. From an analytical perspective, then, the problem is not how to make the agent accountable but one of ensuring that the forum fulfills its role in accountability processes.

Our findings here mirror those of Skelcher (2010, 172) in his review of governance in Europe. He stated the issue eloquently as follows: "Fishing for principals and agents is problematic outside the mainstream of elected representative institutions. When researchers catch an actor that, from the perspective of representative democracy, looks like an agent, they sometimes find that the actor behaves more like a principal. And when they catch political principals, they find that their oversight of some forms of governance is highly constrained and that they are effectively disempowered."

CONCLUSION AND DISCUSSION: TOWARDS NEW THEORETICAL BUILDING BLOCKS

Our analysis brings us to the conclusion that the actual behavior of actors and accountability forums is often found to be at odds with basic hypotheses drawn from P-A theory. Accountability forums do not behave as would be expected of theoretically constructed principals and accountable actors are often found to behave different to the agents depicted in agency theory. While accountability is often theoretically conceived as a means to curtail agency drift and to correct failing agents, many empirical accountability studies suggest that, what we have termed, "forum drift" is much more prevalent and that the major challenge in accountability processes is to stimulate potentially failing accountability forums to discharge of their duties and obligations.

This is problematic in a theoretical sense and begs the question of how we can make sense of these findings and work toward a theoretical framework that is better able to predict the behavior of accountability forums and actors in the public sector. It is a mission that cannot be completed within the confines of this one paper. We make an attempt at a first cut at it here: below we put forward a number of possible explanations for these empirical findings and suggestions for changes to our understanding and conceptualizations of accountability as a result. More precisely, we contend that public sector accountability processes often depart from P-A-driven expectations because of four conceptual confusions: 1) the accountability forum is not necessarily a principal and the same behavioral assumptions will not always hold therefore, 2) principals (and forums) change over time, 3) actors are often more properly understood to be stewards and 4) accountability processes are about more than compliance and conformity.

From Principal to Forum: Specifying the Forum

An important explanation for the "forum drift" identified above could lie in the difference between an accountability forum and a (direct) principal in the traditional principal-agent model. In the principal-agent model, the principal places part of its own assets or powers under the stewardship of an agent. As a result, it will maintain an interest in the outcome of the delegation and thus, in monitoring postdelegation. As mentioned earlier, the "principal" is not necessarily synonymous with the "accountability forum," however. Agents are generally accountable postdelegation to multiple accountability forums, which can include (but are not restricted to) the direct principal, as well as third parties with partially opposing mandates.

However, the forum has not delegated something of its own, be it assets or authority, and as a result, it lacks the same interest in overseeing and policing the delegation. *Unlike a principal*, the forum is not "invested" in the delegation: it does not stand to directly benefit from the delegation, nor does it bear any direct costs in the event of agency/bureaucratic drift.[2] Therefore, the forum cannot automatically be

---

2   This is already questionable within the P-A model itself, as observed by Waterman and Meier (1998, 175): within an *institutional/regulatory* principal-agent model, as opposed to an *economic* principal-agent model, the principal is unlikely to bear any direct costs as a result of bureaucratic drift as it can pass the costs along to the general public.

assumed to have an interest in monitoring, unless there are particular incentives present in that direction. This is essentially another form of delegation i.e., the delegation of monitoring powers from the principal to a forum. However, when the principal also delegates (part of) its monitoring functions to an accountability *forum* or to a set of accountability forums, the incentive structure changes as the forum, unlike the principal, does not have a direct "stake" in the stewardship exercised by the agent. Subsequently, "drift" can occur here as well, this time in the form of "forum drift" unless the forum has specific interests or incentives to monitor.

In this connection, more refined theoretical expectations as to the role of forums and when forums are more likely to take up a passive or an active role should be developed and reflected in accountability theory. A better understanding of the reasons, incentives and motivations that shape the behavior of different forums is needed, moving beyond taking the role of forums in accountability for granted. Busuioc (2013), as mentioned above, examined multiple forums and found for instance, that full-time, professional accountability forums (the Court of Justice, the European Ombudsman, the European Court of Auditors) tend to discharge their roles diligently. Part-time account-holders and/or forums with contradictory mandates and interests in different arenas (e.g., management boards but also political forums) display a propensity to fall short in their supervisory roles.

This could be a theoretically relevant dimension because it suggests that guiding hypotheses should be calibrated to the specific type of accountability forum involved. In this specific case, the potential explanation could well be that *professional forums*, much like the original principals of the traditional P-A model, will have an interest in monitoring. More generally, Romzek and Dubnick's (1998) typology of hierarchical, political, professional and legal accountability could be a very fruitful starting point for devising predictive assumptions in accountability studies. The framework has been widely used to analyze, map and discuss accountability. In a predictive capacity it would summon researchers to look at the *nature* of the forum—is it a political principal, a hierarchical superior or a professional peer? - which would induce quite different behavioral expectations. Hierarchical superiors are for instance, more likely to maintain an interest postdelegation; professional, full-time account-holders will have an incentive to monitor by virtue of their professional role and norms as well as reputational costs involved if found slacking. But political accountability forums may have many reasons *not* to consistently invest in monitoring, given their demanding agendas, shorter time-frames and limited interests in the intricate details of policy implementation. In short, guiding hypotheses in empirical accountability studies should move beyond principal-agent theory and take specific characteristics of the accountability forum into account.

From P_0 to P_2: Principals Change over Time

Even when the forum coincides with the principal, it could still lack interest in (monitoring) the delegation. One of the fairly logical explanations for this is that the persons acting as principals in institutionalized settings of governance naturally change over time, as well as being increasingly fragmented. The principal, which is involved in

monitoring agency behavior, may well not be the same as the one involved in negotiating or drafting the original contract design. The election or appointment of a new minister may have a massive impact, even where formal policies do not change at all. Flinders (2001, 272 and beyond) for instance, relates how the appointment of new ministers has a significant impact on the *politics of accountability*. In addition, the principal is found to (mis-)use existing accountability mechanisms to further causes that diverge from their formal goals, such as national interests (Busuioc 2012) or general policy changes (Schillemans 2011).

Moreover, even when the formal principal is the real "owner" of a task, and thus is a real principal, a different form of drift can occur when dealing with delegation to quasi-autonomous, nonmajoritarian bodies, one recognized in agency literature: "principal drift" (Horn and Shepsle 1989; Kassim and Menon 2003; Macey 1992; Shepsle 1992). Unlike in cases of "regular" delegation, in the case of some bodies and agencies (e.g., central banks, some European agencies; see Majone 2001), principals collectively decide to tie their hands together, not to interfere, so as to ensure credible commitment. This can be one of the reasons why the principal chooses to "bow out." Complying with principals' wishes and desires is then not the relevant issue for these nonmajoritarian agencies. In fact, often the opposite is argued as a main reason for their setup: to ensure credible commitment, the principal is meant to be "out of the picture," the execution of a public task is meant to be depoliticized (Majone 2001). "Principal drift" then occurs when the principal, or subsequent principals, try to reenter the picture and influence the delegation that was meant to be "at arms' length" for example boards (in order to protect national interests) or the European Commission (to protect its own policy priorities) in the case of European agencies (Busuioc 2013). More generally, the extent to which the nominal principal is also the *delegating* principal, or to the contrary, the principal has changed over time and it them also its priorities and understandings of "appropriate" agent behavior (and even of the delegation process itself) may have changed as well, is probably decisive for the question whether standard assumptions may successfully predict its behavior in accountability.

From Agent to Steward: Holding Intrinsically Motivated Stewards Accountable

The standard model of agency theory conceives of agencies providing public services as "hired guns," operating on stipulated contracts and without an intrinsic motivation for the job. While hired by principals seeking to get a job done effectively, agents are instead often depicted as "effort-adverse and self-interested" bureaucrats (Gailmard 2010, 40).

In the public sector, however, public organizations serve as long-lasting stewards to some cause. With their longer time-frames and institutionalized values, agencies will time and time again guide or defend specific policy goals or values. Often agents are therefore, really *stewards,* motivated to do their jobs and tied to an institutionalized mission that is likely to transcend their self-interest (Davis, Schoorman and Donaldson 1997; Schillemans 2012). The agencies represent "all those static coalitions from the past that successfully had their policy ambitions transformed

into law" (Wood 1988, 231). Public agencies are often, as was already described by Lindblom (1959), embodiments of sets of politically and socially relevant values. As such, agencies, but also NGOs or transnational organizations, are less likely to display generalized shirking tendencies as the agents for which P-A theory was originally developed.

For motivated stewards, establishing one's reputation, realizing one's mission and achieving organizational goals is not logically connected to external scrutiny through accountability. To the contrary, tight controls and a lack of policy autonomy could actually "crowd out" intrinsic motivation, expertise investment and discourage "policy zealots" from self-selecting into the bureaucracy (Gailmard 2010; Gailmard and Patty 2007). As opposed to the self-interested bureaucrats, motivated public servants mitigate and/or address principal-agent problems (involving "hidden information" and "hidden action") and public service motivation can therefore potentially serve as "a tool to solve specific principal-agent problems" (Gailmard 2010, 39). In terms of theoretical expectations, this means that "intrinsic motivation" is a key factor to be taken into consideration. If the actor is a highly trained professional or a professional organization, or when the actor has invested considerable time, assets and its reputation in a specific task and in developing expertise, it is more likely to apply itself to the task at hand and less likely to "shirk."

This is not to say that failures do not occur in the administrative state (for one, intrinsic motivation does not altogether dispense with all forms of agency problems, but potentially invites other forms— through giving rise to possible value conflicts between the principal and the agent, Gailmard 2010). Rather, simply that the picture of the failing agent is much less generalizable than the focus it has received in accountability literature would suggest. And that in some cases, a likely scenario is that public sector agents will have internalized their role expectations, will actually care about the job at hand and become guardians and stewards of a policy cause. Moreover, even when value conflicts between these motivated stewards with political principals occur, these are not necessarily always problematic. In fact, in a variety of situations, as discussed in the previous section, value conflict could well be desirable and purposefully built into the delegation process (Majone 1996, 2001; Miller 2000) rather than a problematic delegation symptom.

From Control to Legitimation: Accountability Serves More (Important) Purposes

More broadly, we need to recalibrate our expectations of actors and forums. As mentioned above, in accordance with the P-A framework, agents are expected to resist claims for accountability. The empirical studies of agency accountability discussed in this paper (Busuioc 2013; Schillemans, 2011; see also Schillemans 2013) revealed that, reportedly according to forums, agencies comply diligently with their accountability obligations and in fact, even proactively and voluntarily initiated new and stricter accountability obligations, as opposed to attempting to duck accountability. Yet such a behavior—voluntarily choosing to disclose one's actions to scrutiny— is at odds with the principal-agent perspective of agents attempting to escape control. Why do actors engage in such counter-intuitive behavior from a P-A perspective?

A variety of reasons have been proposed for these observations ranging from expected credibility and autonomy gains (Jabko 2003, 719–721; Schillemans 2011), resource benefits (Busuioc 2013), strategic communication (Maor, Gilad, and Ben-Nun Bloom 2012) etc. Although the reasons put forward vary, one lesson is clear: for a whole range of bureaucratic actors, accountability signifies something more than just allowing for one's superior control. It suggests that accountability is also important as a "license to operate," that it is a way to build trust, credibility, and reputation and expand one's autonomy. Even more, accountability may sometimes be expected to be instrumental to performance.

Furthermore, being actively held accountable by a busy principal is also some sort of an *insurance*. It ascertains that the organization is on the radar of the decisional powers-that-be, which is probably beneficial for allocation decisions on budgets and tasks. For these reasons, probably, agents may balance the additional oversight against gains in terms of reputation, relations, political salience, credibility and even autonomy that comes from increased levels of accountability. In other words, rational public bodies and organizations will not necessarily choose to escape accountability, but to the contrary, it might be in their strategic interest to promote and expand on their accountability. This follows from the different functions that public accountability serves and the benefits that it can bestow in terms of legitimacy and credibility upon an organization.

Existing social psychological *and* institutional approaches to accountability have both, in different ways, shown how accountability serves additional purposes to control in constituting social or professional communities. By answering to claims for accountability, fundamental social norms are confirmed and (re)constituted (Tetlock 1992). The standards of accountability—and the exact operational expectations for agents—are not written in stone, but evolve in "living institutions" and through dialogue (Olsen 2013). Different actors negotiate their relationships in part through accountability; and this has a broader meaning than that one agent controls the other. Through accountability, actors not only compare their conduct to fundamental norms, they also create norms and/or shape existing ones in fundamental ways.

This points at the need to alter our expectations and also our research focus. In accountability studies, actors cannot automatically be assumed to resist claims for accountability. Similarly, as we saw above, forums cannot always be assumed to have an interest in the performance of the actor and actually (diligently) discharge their accountability obligations. This points at the need for accountability research to also shift the focus of accountability, and to explicitly investigate the behavior of the forum on a par with that of the actor.

In *conclusion*, this paper has *not* sought to criticize P-A theory in general nor did it suggest that the findings described are altogether irreconcilable with the flexible framework of agency theory (see Gailmard 2014 as to its flexibility). The aim of this paper was to contribute to a *dynamic* theory of public sector accountability, with which the likely behavior of accountability forums and accountability actors in evolving accountability processes can be more properly predicted than it is possible with the standard P-A model that is often, explicitly or implicitly, relied upon. The paper primarily serves as a warning against simply taking over

general theoretical assumptions from the P-A model and applying them indiscriminately *to accountability research*. There is a need to further reflect and adapt such assumptions and add additional factors to the analysis given the inherent specificities and further intricacies of accountability in complex regimes. This further adaption should take four major factors into account with which more precise predictions are possible:

- The differences between different types of accountability forums (political, legal, professional, hierarchical), shifting the focus of accountability research to the behavior of forums as well.

- The temporal renewal of political and departmental principals, i.e., the question whether nominal principals are actually principals.

- The intrinsic motivation of executive agents operating as stewards to some cause, policy or value.

- The complex and reciprocal character of accountability processes in long-lasting professional relationships, serving broader (and sometimes more important) causes than hierarchical control and organizational compliance.

REFERENCES

Acar, Muhittin, Chao Guo, and Kaifeng Yang. 2008. Accountability when hierarchical authority is absent: Views from public-private partnership practitioners. *The American Review of Public Administration* 38:3–23.

Auel, Katrin. 2007. Democratic accountability and national parliaments: Redefining the impact of parliamentary scrutiny in EU affairs. *European Law Journal* 13: 487–504.

Bardach, Eugene, and Cara Lesser. 1996. Accountability in human services collaboratives—For what? and to whom?. *Journal of Public Administration Research and Theory* 6:197–224.

Behn, Robert D. 2001. *Rethinking democratic accountability*. Washington, DC: Brookings Institution Press.

Bendor, Jonathan, Amihai Glazer, and Thomas Hammond. 2001. Theories of delegation. *Annual Review of Political Science* 4: 235–69.

Bendor, Jonathan and Adam Meirowitz. 2004. Spatial models of delegation. *American Political Science Review* 98: 293–310

Bergsteiner, Harald. 2012. *Accountability theory meets accountability practice*. Bingley: Emerald.

Bovens, Mark. 2007. Analysing and assessing accountability: A conceptual framework. *European Law Journal* 13: 447–68.

Bovens, Mark, Deirdre Curtin, and Paul't Hart. 2010. *The real world of EU accountability. what deficits?* Oxford: Oxford University Press.

Brandsma, Gijs Jan. 2010. *Backstage Europe: comitology, accountability and democracy in the European Union*. PhD Thesis, Utrecht University.

Brandsma, Gijs Jan, and Thomas Schillemans. 2013. The accountability cube. Measuring accountability. *Journal of Public Administration Research & Theory* 23: 953–75.

Breaux, David A., Christopher M. Duncan, C. Denise Keller, and John C.Morris. 2002. Welfare reform, Mississippi style: Temporary assistance for needy families and the search for accountability. *Public Administration Review* 62: 92–103.

Busuioc, Madalina. 2009. Accountability, control and independence: The case of European agencies. *European Law Journal* 15: 599–615.

Busuioc, Madalina. 2013. *European agencies: Law and practices of accountability*. Oxford, UK: Oxford University Press.

Busuioc, Madalina, Deirdre Curtin, and Martijn Groenleer. 2011. Agency growth between autonomy and accountability: The European Police Office as a 'living institution'. *Journal of European Public Policy* 18: 848–67.

Busuioc, Madalina, Martijn Groenleer, and Jarle Trondal. 2012. *The agency phenomenon in the European Union: Emergence, institutionalisation and everyday decision-making*. Manchester, UK: Manchester University Press.

Davis, James H., F. David. Schoorman, and Lex Donaldson.1997. Toward a stewardship theory of management. *Academy of Management Review* 22: 20–47.

Demmke, Cristoph, Gerhard Hammerschmid, and Renate Meyer. 2006. *Decentralisation and accountability as focus of public administration modernisation*. Wenen: Austrian Federal Chancellary.

Dicke, Lisa. A. 2002. Ensuring accountability in human services contracting: Can stewardship theory fill the bill? *The American Review of Public Administration*, 39: 164–88.

Dubnick Melvin J., and H. George Frederickson. 2010. Accountable agents: Federal performance measurement and third-party government. *Journal of Public Administration Research and Theory* 20: 143–59.

Dubnick Melvin J. and H. George Frederickson. 2011. *Accountable governance. Problems and promises*. Armonk: M.E. Sharpe.

Dunleavy, Patrick. 1991. *Democracy, bureaucracy and public choice*. London: Pearson Education.

Dunn, Delmer D., and Jerome S. Legge Jr. 2001. U.S. local government managers and the complexity of responsibility and accountability in democratic governance. *Journal of Public Administration Research and Theory* 11: 73–88.

Epstein, David, and Sharyn O'Halloran. 1994. Administrative procedures, information, and agency discretion. Slack vs. flexibility. *American Journal of Political Science* 38: 697–722.

Epstein, David, and Sharyn O'Halloran. 1999. *Delegating powers: A transaction cost politics approach to policy making under separate powers*. Cambridge: Cambridge University Press.

Farrell, Catherine, and Jennifer Law. 1999. Changing forms of accountability in education?: A case study of LEAs in Wales. *Public Administration* 77: 293–310.

Fiorina, Morris.1982. Legislative choice of regulatory forms: Legal process or administrative process? *Public Choice* 39: 33–66.

Flinders, Matthew. 2001. *The politics of accountability in the modern state*. Burlington: Ashgate.

Flinders, Matthew. 2014. The future and relevance of accountability studies. In *The Oxford handbook of public accountability*, ed. M. Bovens, R. E. Goodin and T. Schillemans. Oxford: Oxford University Press.

Gailmard, Sean. 2010. Politics, principal-agent problems, and public service motivation. *International Public Management Journal* 13: 35–45.

Gailmard, Sean. 2014. Principal agent theory and accountability. In *The Oxford handbook of public accountability*, ed. Mark Bovens, Robert E. Goodin and Thomas Schillemans, Oxford, UK: Oxford University Press.

Gailmard, Sean and Patty, John. 2007. Slackers and zealots. Civil service, bureaucratic discretion, and policy expertise. *American Journal of Political Science* 51: 873–89.

Gailmard, Sean and John, Patty. 2012. *Learning while governing. Expertise and accountability in the executive branch*. Chicago: University of Chicago Press.

Groenleer, Martijn. 2009. *The autonomy of European Union agencies: A comparative study of institutional development*. Delft: Eburon.

Hammond, Thomas H., and Jack H. Knott. 1996. Who controls the bureaucracy? Presidential power, congressional dominance, legal constraints, and bureaucratic autonomy in a model of multi-institutional policy-making. *Journal of Law, Economics, & Organization* 12: 119–47.

Heinrich Carolyn J., Laurence E. Lynn, Jr., and H. Brinton Milward. 2010. A state of agents? Sharpening the debate and evidence over the extent and impact of the transformation of governance. *Journal of Public Administration Research & Theory* 20: 3–19.

Hodge, Graeme, and Ken Coghill. 2007. Accountability in the privatized state. *Governance* 20: 675–702.

Horn, Murray, and Kenneth Shepsle.1989. Commentary on 'Administrative Arrangements and the Political Control of Agencies': Administrative process and organizational form as legislative responses to agency costs. *Virginia Law Review* 75: 499–508.

Hood, Christopher, Colin Scott, Oliver James, George Jones, and Tony Travers. 1999. *Regulation inside government: Waste-watchers, quality police, and sleazebusters*. Oxford: Oxford University Press.

Huber, John D. and Charles R. Shipan. 2000. The costs of control: Legislators, agencies and transaction costs, *Legislative Studies Quarterly* 25: 25–52.

Huber, John D. and Charles R. Shipan. 2002. *Deliberate discretion? The institutional foundations of bureaucratic autonomy*. New York: Cambridge University Press.

Jabko, Nicolas. 2003. Democracy in the age of the euro. *Journal of European Public Policy* 10:710–39.

Jos, Philip H. and Mark E. Tompkins. 2004. The accountability paradox in an age of reinvention: The perennial problem of preserving character and judgment. *Administration & Society*. 36: 255–81.

Kassim, Hussein, and Anand Menon. 2003. The principal-agent approach and the study of the European Union: promise unfulfilled? *Journal of European Public Policy* 10:121–39.

Kiewiet, D. Roderick, and Mathew D. McCubbins. 1991. *The logic of delegation. Congressional parties and the appropriation process*. Chicago, IL: University of Chicago Press.

Klingner, Donald E., John Nalbandian, and Barbara S. Romzek. 2002. Politics, administration, and markets conflicting expectations and accountability. *The American Review of Public Administration* 32: 117–144.

Koop, Christel. 2011. Explaining the accountability of independent agencies: The importance of political salience, *Journal of Public Policy* 31: 209–34.

Koppell, Jonathan. 2005. Pathologies of accountability: ICANN and the challenge of "multiple accountabilities disorder," *Public Administration Review* 65: 94–108.

Krause, George A., and Kenneth J. Meier. 2003. *Politics, policy, and organizations. Frontiers in the scientific study of bureaucracy*. Ann Arbor: University of Michigan Press.

Kruijff, Johan de. 2011. *Autonomy and control of public bodies*. PhD Thesis, University of Twente. http://doc.utwente.nl/77453/1/thesis_J_de_Kruijf.pdf (accessed May 23, 2014).

Lamothe, Meeyoung, and Scott Lamothe. 2008. Beyond the search for competition in social service contracting: Procurement, consolidation, and accountability. *The American Review of Public Administration* 39: 164–88.

Laegreid, Per, and Koen Verhoest. 2010. *Governance of public sector organizations: Proliferation, autonomy and performance*. Basingstoke: Palgrave MacMillan.

Lehn, Benjamin. 2008. Bearing more risk for results: Performance accountability and nonprofit relational work. *Administration & Society* 39: 959–83.

Lerner Jennifer.S., and Philip E. Tetlock. 1999. Accounting for the effects of accountability. *Psychological Bulletin* 125: 255–75.

Lindblom, Charles E. 1959.The Science of "Muddling Through". *Public Administration Review* 19: 79–88.

Lupia, Arthur. 2001. Delegation of power: Agency theory. In *International encyclopedia of the social and behavioral sciences 5*, ed. Neil J.Smelser and Paul B.Baltes, 3375–7. Oxford, UK: Elsevier Science Limited.

Macey, Jonathan R. 1992. Organizational design and political control of administrative agencies. *Journal of Law, Economics, & Organization* 8: 93–110.

Magill, Elizabeth. 2009. Agency self-regulation. *George Washington Law Review* 7: 859–903.

Martens, Maria. 2010. Voice or loyalty? The evolution of the European Environmental Agency (EEA). *Journal of Common Market Studies* 48: 881–901.

Mattli, Walter, and Tim Büthe.2005. Accountability in accounting? The politics of private rule-making in the public interest. *Governance* 18: 399–429.

Majone, Giandomenico. 1996. *Regulating Europe*. London: Routledge.

Majone, Giandomenico. 2001. Two logics of delegation: Agency and fiduciary relations in EU governance. *European Union Politics* 2: 103–22.

Maor, Moshe, Sharon Gilad, and Pazit Ben-Nun Bloom. 2012. Organizational reputation, regulatory talk, and strategic silence. *Journal of Public Administration Research and Theory* 23: 581–608.

McLaughlin, Kate, and Stephen P. Osborne. 2003. Modelling the challenge of changing institutional relationships between government and the voluntary sector in the UK. *Asian Journal of Public Administration* 1: 5–30.

McCubbins, Mathew D., and Thomas Schwartz. 1984. Congressional oversight overlooked: Police patrols versus fire alarms. *American Journal of Political Science* 28: 165–79.

McCubbins, Mathew D., Roger G. Noll, and Barry R. Weingast. 1987. Administrative Procedures as instruments of political control, *Journal of Law, Economics and Organization* 3: 243–77.

McCubbins, Mathew D., Roger G. Noll and Barry R. Weingast.1989. Structure and process, politics and policy: Administrative arrangements and the political control. *Virginia Law Review* 75: 431–82.

Meier, Kenneth J., and Krause, George A. 2003. *Politics, policy, and organizations. Frontiers in the scientific study of bureaucracy*. Ann Arbor: University of Michigan Press.

Miller, Gary J. 2000. Above politics: Credible commitment and efficiency in the design of public agencies. *Journal of Public Administration Research and Theory* 10: 289–328.

Mitnick, Barry M. 1980. *The political economy of regulation: Creating, designing, and removing regulatory forms*. New York: Columbia University Press.

Moe, Terry. 1984. The new economics of organization. *American Journal of Political Science* 28: 739–77.

Moe, Terry. 1987. An assessment of the positive theory of 'congressional dominance'. *Legislative Studies Quarterly* 12: 475–520.

Mörth, Ulrika. 2007. Public and private partnerships as dilemmas between efficiency and democratic accountability: The case of Galileo. *Journal of European Integration* 29, 601–17.

Mulgan, Richard. 2003. *Holding power to account. Accountability in modern democracies*, Basingstoke: Palgrave.

Müller, Wolfgang C. 2000. Political parties in parliamentary democracies: Making delegation and accountability work. *European Journal of Political Research* 37: 309–33.

O'Connell, Lenahan. 2005. Program accountability as an emergent property: The role of stakeholders in a program's field. *Public Administration Review* 65: 85–93.

Olsen, Johan P. 2013. The institutional basis of democratic accountability. *West European Politics* 36: 447–73.

Page, Stephen. 2006. The web of managerial accountability. The impact of reinventing government. *Administration & Society* 38: 166–97.

Papadopoulos, Yannis. 2007. Problems of democratic accountability in network and multilevel governance. *European Law Journal* 13: 469–86.

Pires, Roberto R.C. 2011. Beyond the fear of discretion. Flexibility, performance, and accountability in the management of regulatory bureaucracies. *Regulation & Governance* 5:43–69.

Pollack, Mark. 1997. Delegation, agency, and agenda setting in the European Community. *International Organization* 51: 99–134.

Pollitt, Christopher. 2003. *The essential public manager*. London: Open University Press/McGraw-Hill.

Posner, Paul. L. 2002. Accountability challenges of third-party government. In *The tools of government. A guide to the new governance*, ed. Lester M. Salamon, 523–51. Oxford: Oxford University Press.

Przeworski, Adam, Susan C. Stokes, and Bernard Manin. 1999. *Democracy, accountability, and representation*. Cambridge: Cambridge University Press.

Reiss, Dorit Rubinstein. 2011. Account me in: Agencies in quest of accountability. *Journal of Law and Policy* 19: 611–81.

Romzek Barbara S., and Dubnick Melvin J. 1998. Accountability. In *International encyclopedia of public policy and administration*, Volume 1 A-C, ed. Jay M. Shafritz. Boulder CO: Westview Press.

Schillemans, Thomas. 2007. *Verantwoording in de schaduw van de macht. Horizontale verantwoording bij zelfstandige uitvoeringsorganisaties*. The Hague: Lemma.

Schillemans, Thomas. 2011. Does horizontal accountability work? Evaluating potential remedies for the accountability deficit of agencies. *Administration & Society* 43: 387–416.

Schillemans, Thomas. 2012. Moving beyond the clash of interests. On stewardship theory and the relationships between central government departments and public agencies. *Public Management Review* 15: 541–62.

Schillemans, Thomas. 2013. *The public accountability review. A meta-analysis of public accountability research in six academic disciplines*. Working Paper, Utrecht University School of Governance. http://igitur-archive.library.uu.nl/USBO/2013-0517-200614/UUindex.html (accessed May 23, 2014).

Shapiro, Susan P. 2005. Agency theory. *Annual Review of Sociology* 31: 263–84.

Shepsle. Kenneth A. 1992. Bureaucratic drift, coalitional drift, and time consistency. *Journal of Law, Economics, and Organization* 8: 111–8.

Skelcher, Chris. 2010. Fishing in muddy waters: Principals, agents, and democratic governance in Europe. *Journal of Public Administration Research & Theory* 20: 161–75.

Strøm, Kaare. 2000. Delegation and accountability in parliamentary democracies. *European Journal of Political Research* 37: 261–89.

Tetlock, Philip. E. 1992. The impact of accountability on judgment and choice: Toward a social contingency model. In *Advances in Social Psychology*, vol. 25, ed. Mark. P Zanna, 331–76. San Diego: Academic Press.

Thatcher, Mark. 2002. Regulation after delegation: Independent regulatory agencies in Europe. *Journal of European public policy* 9: 954–72.

Thatcher, Mark. 2005. The third force? Independent regulatory agencies and elected politicians in Europe. *Governance* 18: 347–73.

Trappenburg, Margo. 2008. *Genoeg is genoeg. Over gezondheidszorg en democratie*. Amsterdam: Amsterdam University Press.

Van Thiel, Sandra, and Frans L.Leeuw. 2002. The performance paradox in the public sector. *Public Performance & Management Review* 25: 267–81.

Yesilkagit, Kutsal, and Sandra van Thiel. 2008. Politic influence and bureaucratic autonomy. *Public Organization Review* 8: 137–53.

Verhoest, Koen, B. Guy Peters, Geert Bouckaert, and BramVerschuere. 2004. The study of organisational autonomy: A conceptual review. *Public Administration and Development* 24: 101–18.

Vibert, Frank. 2007. *The rise of the unelected. Democracy and the new separation of powers*. Cambridge: Cambridge University Press.

Vieider, Ferdinand. M. 2011. Separating real incentives and accountability. *Experimental Economics*, 14: 507–18.

Waterman, Richard W., and Kenneth J.Meier. 1998. Principal-agent models: An expansion? *Journal of Public Administration Research and Theory* 8: 173–202.

Whitaker, Gordon P., Lydian Altman-Sauer, and Margret Henderson. 2004. Mutual accountability between governments and nonprofits. Moving beyond "surveillance" to "service".*American Review of Public Administration* 34: 115–33.

Wood, B. Dan, 1988. Principals, bureaucrats, and responsiveness in clean air enforcement. *American Political Science Review* 82: 213–34.

Wood, B. Dan, 2011. Agency theory and the bureaucracy. In *Oxford handbook of American Bureaucracy*, ed. Robert F. Durant, 181–206. New York: Oxford University Press.

Wood, B. Dan, and Richard W. Waterman1991. The dynamics of political control of the bureaucracy. *American Political Science Review* 85: 801–28.