

Delegation of Authority in International Relations: The Promise and Limits of Agency Theory

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In this paper I make four inter-related points in an effort to clarify our (my) thinking on the delegation of authority in international relations. Depending on the interest of participants and editors, I'll decide which conceptual and empirical issues to pursue in a revised paper after our meeting.

1. Theoretical Reasons to Privilege Formal Rules

A focus on legal and formal rules seems like a reasonable strategy if we want to develop deductively sound and falsifiable hypotheses within a principal-agent (PA) framework while studying the choices of states and/or the behavior of international organizations (IOs). This does not mean that formal rules/procedures and formal measures of voting power can account for all the empirical patterns that interest us, nor will a focus on formal rules and power necessarily explain the largest percentage of the variance in our dependent variables. However, there are clear benefits to using formal rules within a PA framework and there are some under-appreciated costs when we attempt to incorporate soft law, informal rules, and norms.

Expanding beyond legal and formal rules to incorporate social norms or non-authoritative power relationships is incompatible with the meaning of delegation and the conceptual limits of an agency relationship. IOs (or other agents of national governments) may indeed behave in certain ways because they are responsive to global norms and they may also be responsive to third parties rather than (or in addition to) their principals who have delegated authority to them. Hence, these other factors may be important in explaining outcomes in IR, but incorporating them within PA models leads to flawed theory and concept stretching, at least. Worse, these amendments to PA models will lead analysts to claim that their "PA model" explains more than it really does. In order to specify the utility and limits of PA models for understanding IO behavior and change, we must deduce specific observable implications from PA models and then test them empirically. A focus on legal and formal rules at each stage of a delegation chain will enable such efforts.

2. Conceptual Clarifications

While definitions are just definitions, there are both conceptual and social reasons to prefer some over others. The definitions offered in the Bradley and Kelley (BK) memo are narrowly drawn and largely consistent with definitions used by a growing number of political scientists studying IR (Hawkins et al 2006; Thompson 2004; Nielson and Tierney 2003). For these reasons the BK definition should enable research findings to accumulate and should also enhance communication between political scientists and legal scholars. Without necessarily advocating changes in the definitions offered, I discuss some potential costs of adopting various parts of the BK definition of international delegation and related concepts.

Embedded Delegation

The BK definition of international delegation focuses our attention on one of the most theoretically interesting and arguably the most substantively important link in any international chain of delegation – the link from sovereign states to “an entity.”¹ However, this is just one link in what might fruitfully be conceived as a longer chain of delegation. To the extent that the efficacy of prior or subsequent links in a chain of delegation will influence outcomes of interest at the BK link, then we should consider broadening the definition of international delegation to accommodate these links.

For example, looking backward along a chain of delegation, we can imagine two states (X and Y) with different democratic constitutions. In state X the executive finds it relatively easy to pursue and realize delegations of authority to IOs because she does not require a majority of citizens to vote her into office, there are few or no constitutional restraints on the substantive issues the executive is authorized to negotiate on, decision rules offer few checks (perhaps a simple majority in parliament), and international agreements are treated as statutes upon ratification. Alternatively, in state Y the executive may be highly constrained by a constitution that limits her discretion on specific issues, electoral rules that require super-majorities, ratification procedures that require super-majorities, and subsequent legislation to bring international agreements into effect. Because of these differences in the rules governing delegations of authority from citizens to their elected leaders, we might well expect different outcomes at the subsequent BK link in a chain of delegation.²

Similarly, looking forward along a potential chain of delegation may influence the decisions of states about whether and how much authority to delegate at the BK link in

¹ To date most of my own work also focuses on delegations from sovereign states to formal IGOs – delegations that clearly fit the BK definition.

² For example, Parks et al (2006) find significant differences in the willingness of OECD countries to delegate the allocation of foreign aid to international organizations and analyze whether these decisions are driven by the nature and extent of delegations from citizens to elected leaders – a prior link in a chain that includes international delegation. Early econometric results suggest that the nature of electoral institutions and the number of veto gates in the policy process of donor countries have large effects on the frequency with which otherwise similar states delegate the authority to allocate aid at the subsequent BK link.

the chain. If a state (or group of states) is deciding which of two or more IOs it ought to hire to perform a particular task, information about which subsequent agents the IO will choose to implement the task may have a large impact on the decision about whether to delegate at all, which IO to choose, and how much authority is actually delegated. After all, sometimes IO staff members carry out projects assigned to them, but increasingly they delegate authority for implementation of a program to a private contractor or an NGO. If states are cognizant of such policies to delegate delegated authority, this may influence their choices at the BK link in the chain.

For example, at the Rio Earth Summit in 1992 rich countries agreed in principle to restructure the Global Environment Facility (GEF) in order to subsidize the adoption of policies and production techniques that would prevent or slow the destruction of global environmental commons (Fairman 1996). UNEP and UNDP were discussed as potential agents for this job of transferring resources, but donor governments were skeptical about using these UN agencies in part because of their procurement and contracting policies. Donors suspected that contracts would be awarded on a quota system rather than following from a merit-based assessment of agent capacity and experience implementing environmental projects. These concerns (among others) led to a compromise where the World Bank took the lead role in designing projects and allocating donor country resources under the GEF facility. UNDP and UNEP did get the job of allocating about 35% of GEF funds, but notably not to implement projects that provided the greatest opportunity for waste or payoffs to domestic political supporters in recipient countries. Those types of projects tend to be assigned to the World Bank, which often delegates authority to other implementing agents.³

To the extent that such prior and subsequent delegations of authority influence important outcomes at the BK link, we should consider expanding the definition of international delegation to accommodate these links.⁴ Such an expanded definition obviously directs attention to prior and subsequent links that might matter empirically and thus influence the questions we ask and the hypotheses we end up testing regarding the BK link.

Non-Proliferation of Terms

In addition to easing communication, clarifying concepts surrounding international delegation allows scholars to more accurately identify the empirical referents to “principal” and “agent” in the real world we are studying. I illustrate this point by discussing different types of delegation relationships and distinguish between single, collective, and multiple principals. I provide empirical illustrations to ground the concepts.

³ If we don't call such delegations of authority from the World Bank to private contractors “international delegation,” then how should we characterize these choices? They are certainly amenable to analysis through standard principal-agent models that study the impact of delegation on effectiveness. See Cooley and Ron 2002 and Martens et al 2002.

⁴ Note, I am not suggesting that every empirical study of international delegation needs to simultaneously consider prior and subsequent delegations in order to be useful. In fact, what progress we have made employing PA models in the study of IR has tended to focus attention on a single link in some chain of delegation.

Delegation occurs when an actor X (or actors XYZ) who is authorized to make a decision or take some action conditionally designates some other actor (or actors) to make that decision or take that action. Notice that this definition implies some pre-existing set of laws or rules that establish property rights. Typically, in the economics context these are rights of ownership.⁵ In the context of domestic politics we commonly find a constitutional rule or a statute authorizing specific actors to make particular types of decisions.⁶ For example, legislators are granted the authority to make laws while courts are granted the authority to adjudicate disputes. In international politics the institution of sovereignty implies that states are the primary locus of decision-making authority, and hence the actors that can choose to delegate authority internationally. This view is consistent with the definition provided by BK.

When one actor delegates authority to another actor, the former is acting as a **principal** and the latter becomes her **agent**. More generally then, principals are the actors within a hierarchical relationship in whom authority ultimately rests.⁷ Agents are the actors who are hired (and potentially fired) by principals. Agents are conditionally designated to perform tasks in the principal's name and have the requisite authority to do so. By definition then, principals and agents exist in a hierarchical relationship that is defined by a delegation contract. As Moe explains, "The logic of the principal-agent model, therefore, immediately leads us to the theoretical issues at the heart of the contractual paradigm: issues of hierarchical control in the context of information asymmetry and conflict of interest" (Moe 1984, 757).

I can think of no conceptual reason to change the names of these actors in a delegation relationship. We don't gain anything by calling agents "entities" or "trustees" or any other broader or narrower term. If they have been conditionally delegated authority by some other actor, then they are agents by definition. If they do exactly what the principal wants them to do with their delegated authority, they are still an agent. If they do nothing that the principal wants them to do with their delegated authority, they are still an agent. This type of variation in agent behavior should be explained rather than used as an opportunity to proliferate new names for existing concepts. Perhaps the perceived need to change the names of agents to something else stems from the fact that applications of PA theory are closely associated with *empirical claims* by PA proponents that principals tend to get what they want and agents either respond to principal instructions, or else they get fired. Hence, "agent" has become associated with "good agent that does bidding of principal" even though there is nothing in the conceptual apparatus of PA theory that leads one to this conclusion. In fact, PA theory offers plenty of reasons why we ought to see significant variation in agent behavior. Other scholars who resist the PA label have

⁵ You can delegate authority to a plumber to fix your pipes because you own the pipes and thus have the ultimate right to do with them as you please. A plumber who works on your pipes without your approval is called a Good Samaritan...or a vandal. A plumber who works on your pipes after you have authorized him to do so is called an **agent**. This definition is consistent with Hawkins et al 2006.

⁶ In this view the U.S. Constitution is a delegation contract that identifies the ultimate principals, "We the people..." and their various agents – Congress, President, Courts, etc...

⁷ This definition is similar to those found in Mirlees 1976; Grossman and Hart 1983; Bergman and Strom 2000; Kiewiet and McCubbins 1991.

identified additional plausible reasons for IOs (especially courts) to act against the interests of individual states that have collectively delegated authority to the IO (Alter 2005). These claims can be accommodated within the PA framework if we are careful about identifying the principal. Changing the names of the actors in the model does not change the validity of the substantive arguments in one direction or the other. In the case of Alter (2005) the substantive arguments stand up quite well to empirical scrutiny.

Bradley and Kelley are right to emphasize that there is no delegation if there is no “entity” to which authority has been granted. Neither bilateral nor multilateral treaties between sovereign states necessarily imply any delegation of authority to any other actor. However, like other scholars (Chong and Weller 2005, Weaver 2005), BK explicitly avoid using the term “agent” because “neutrality may be expected.” That is, somehow an entity is not an agent if it is not expected to act in the interest of an individual hiring state. (I am careful not to say “principal,” since individual states are rarely the principal of any IO or international court). The BK argument is defensible if a single state is delegating authority to an entity to make some decision that cannot be unilaterally vetoed.⁸ This type of relationship exists for single and multiple principals, but not for collective principals (discussed below).

I am an ignorant novice when it comes to international courts, and am thus interested to learn whether individual states ever actually delegate authority to ICs.⁹ But in the issue areas that I know best, I rarely see the condition specified above where one state has the authority to re-contract with an IO agent.¹⁰ Instead, in the issue areas of security, environment, and economics, we mostly observe delegations of authority from groups of states rather than individual states. This means that a single state is almost never a principal. Instead, states are typically members of a collective principal. Once this distinction is appreciated, then the “neutrality” condition discussed by BK and others disappears. Some agents are chosen precisely because they are neutral (Hawkins et al 2006) and will promote various collective goods at the expense of individual states. The neutral agent may see this as its job...but the states who originally delegated the authority may see it the same way.

⁸ BK are right to point out that unit veto implies no delegation of authority (pg 5). Authority has only been delegated if an agent can act in your name (and is thus legally authorized to do so), without first getting your approval. However, as I’ll suggest later, the UN Security Council is not an example that always illustrates this point.

⁹ For example, if a state unilaterally agrees to accept the jurisdiction of the ICJ and then the ICJ rules against this state, what happens? What authoritative action has been taken by this international entity that actually implements a decision that was previously under the purview of the state? Any enforcement of the decision still requires some action by a state, a group of states, or the agent of that group. No? (Please correct my ignorance). In the case of the GEF or the World Bank the answer is crystal clear. The IO just spent some of your money and they did it legally.

¹⁰ In fact, as Alter (2006) explains, re-contracting with some international courts requires unanimity among the state parties that created the court. This institutional rule privileges the status quo and gives such courts room to maneuver.

Common Agency: Collective Principal or Multiple Principals

A delegation relationship can have one or more principals, and a principal can either be an individual or a corporate entity containing more than one individual. Following Kiewiet and McCubbins (1991), when a single agent has more than one contract with organizationally distinct principals we label this a delegation relationship with ***multiple principals***. The American Congress and President are both the principals of any given bureaucratic agent. Yet, neither the Congress nor the President requires the consent of the other branch to monitor, reward, or sanction that agent.¹¹ The European Commission is responsible to both the Council of Ministers and the European Parliament (Pollack 2002). Hence, either of these principals can re-contract with the agent independent of the actions of the other principal. While the Council certainly possesses tools of control that the parliament does not, the recent use of parliamentary authority to censure and force the resignation of the commissioners en masse demonstrates that this authority is real.¹²

The agency literature has systematically overlooked another type of complex principal in which an agent has a single contract with a principal, but the principal happens to be composed of more than one actor.¹³ Following Kiewiet and McCubbins (1991), we call this a ***collective principal***. The most familiar delegation relationships in politics and government involve a collective principal. Voters delegate to politicians, legislators delegate to party leaders, and nation states delegate to international organizations. In all these situations a group of actors comes to a decision among themselves and then the group negotiates a contract with an agent. If the group cannot come to a decision a priori then they cannot change the status quo. This goes for initial hiring decisions, for proposals to renegotiate the agent's employment contract, or for giving the agent novel authoritative instructions. In all these scenarios ***there is a single contract between the agent and his collective principal***.

Many collective principals employ decision rules and institutional devices that induce a clear preference aggregation function for the group, but this is not inherent to the definition.¹⁴ And even when such a decision rule exists, collective principals face a

¹¹ See Calvert (1989); Hammond and Knott (1996). While the control of bureaucratic agents may be enhanced by inter-branch cooperation under some conditions, it is simply not the case that agent control requires cooperation between the President and the Congress. Claims to the contrary in the literature stem from a mis-specification of the structure of the principal. Both of these principals have their own contract with the bureaucratic agent and both have the authority to unilaterally alter that contract.

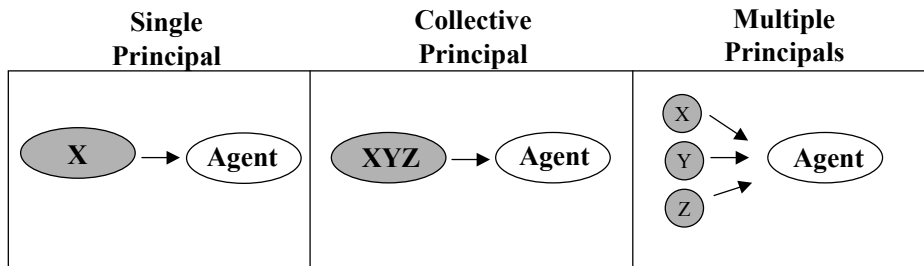
¹² At a prior point in the delegation chain, but still within the politics of the EU Hix (2002) shows that both national parties and EU parties should be conceived as distinct principals of the MPs in the European Parliament since both can re-contract with individual MP agents.

¹³ The most extensive review of the delegation literature in the field omits the concept of a collective principal and instead focuses solely on delegation from a single principal and from multiple principals. Bendor, Glazer and Hammond 2001.

¹⁴ For example, the great powers within the Concert of Europe did periodically delegate authority to one of their own members to put down revolutions within smaller European states in order to maintain international and domestic stability (Kissinger 1957; Jervis 1983).

range of special problems in determining a single contract for the agent. The single principal and both types of complex principals are depicted in Figure 1 below.¹⁵

Figure 1: Types of Agency Relationships



Ironically, although collective principals are much more common in politics, political scientists have focused much greater attention on the question of multiple principals. In the field of American politics there is a vigorous debate about the independent influence of Congress and the President on bureaucratic behavior. This debate has spawned considerable general theoretical work on the problems of agent control that are faced by multiple principals (Hammond and Knott 1996). Despite this growing knowledge of the multiple principal case, political scientists have often incorrectly characterized collective principals as multiple principals.¹⁶

Many scholars implicitly assume either a single or multiple principal where each state can unilaterally re-contract in situations that require a collective decision. This leads to a confusing set of questions that are frequently posed in critiques of PA models. As Chong and Weller (2005) ask, “Is this IO, as an agent, accountable to one, two, or the majority of states or to those with the most political or economic power? Or is it supposed to be accountable to those most affected by its actions?” One clear answer to these questions is to identify principals and agents in terms of the actual legal authority that is delegated. If we take seriously the formal rules that are written into the employment contract to guide our operationalization of PA models, we will avoid false positive tests and will eventually be able to answer positive and normative questions about accountability at the international level.

Many types of political behavior and outcomes fall outside the scope of PA relationships as we define them here. It is worth emphasizing how this definition differs from other

¹⁵ Note that most of the literature refers to the first type of principal as a “single principal.” To avoid confusion we use the same terminology. However, a more accurate description would be “single-unitary principal.” Strictly speaking a “collective principal” is a single principal composed of more than one individual – its corporate nature is the distinguishing feature. This distinction is lost on Bendor, Glazer and Hammond (see especially page 244).

¹⁶ Fearon (1999) and Lohmann (1998) both characterize voters as multiple principals of elected officials. Ferejohn (1999) designates voters as “heterogeneous principals.”

relationships of influence or cooperation. Incentive theory in economics has been used to study situations in which one or more actors attempt to influence another actor's behavior. For example, unions often lobby government officials for favorable trade policy and firms attempt to influence government regulators. Neither of these relationships entails a delegation of authority.¹⁷ Similarly, neither widespread cooperation among actors nor the existence of formal international organizations necessarily entails any delegation.¹⁸ As Moravcsik (1998, 67) puts it, "Sovereignty is delegated when supranational actors are permitted to take certain autonomous decisions, without an intervening interstate vote or unilateral veto." International and domestic bureaucrats must have some discretion in order to be considered agents (Cortell and Peterson, 2003).

3. Authority, Property Rights, and Divisibility

Third, I elaborate some poorly developed thoughts on the nature of authority and draw parallels to property rights within the economic realm. Agency models developed in economics rely upon an explicit or implicit assumption that a principal is the owner of some property or a business. The analogous assumption in politics is the right to make authoritative decisions.

Address the theoretical implications of the BK definition where one state can't unilaterally veto an authoritative decision.

Differential Delegation – Not all members of an international organization have delegated the same amount of authority to that organization. BK offer the interesting example of the ICJ, but such differential delegation is also present in IOs whose management and staff have real authority to spend the resources of member states. For example, because of the 85% rule on the IMF and the World Bank executive boards, the U.S. is the only member of the collective principal that can unilaterally veto an amendment to the articles of agreement. Every other member requires at least one other partner in a coalition to do so. So, while the U.S. has delegated authority to the World Bank on the issue of aid allocation, it has not delegated authority to the Bank or even pooled its sovereignty on the issue of fundamental rules governing the organization.

¹⁷ Bernheim and Winston (1986: 923-4) designate situations in which "an individual is 'naturally' endowed with the right to make a particular decision affecting other parties, who may in turn attempt to influence that decision" as cases of *intrinsic* common agency. Recall, our definition refers to a hierarchical relationship in which principals delegate authority to an agent to act on their behalf. Bernheim and Winston call such situations *delegated* common agency. We are concerned only with situations of delegated common agency.

¹⁸ For example, while the much heralded OAS Democratic Charter does articulate a shared set of norms that served as a focal point for the recent decision by OAS members to condemn the coup in Venezuela and send an observer mission to Caracas, both these cooperative outcomes required a formal decision by the member states of the OAS – not a decision by some autonomous IO bureaucrat. While this is clearly a case of international cooperation, there is no delegation of authority here.

4. Empirical Research on the Delegation of Authority in IR

I have previously argued that formal lines of authority, voting power, and decision rules that are articulated in the equivalent of IO constitutions (articles of agreement, charters, etc...) can be employed in conjunction with principal-agent theory to specify hypotheses about IO behavior and collective outcomes within IOs. But how would we know if formal rules within IOs are actually shaping outcomes in a meaningful way? How should we study the influence of formal rules and decision-making procedures within IOs? One approach assumes that once states have agreed to pool their sovereignty within some international body that the formal rules governing collective decisions are actually efficacious.¹⁹ This is identical to the assumption that many scholars of American and Comparative Politics make when they study the behavior of legislators within committees or voters at the ballot box.

The Greenhouse Model or Normal Science

One approach to the study of formal IO rules on the behavior of states and IOs encourages PA scholars to think exclusively about the predicted effects of variations in formal rules. Get the models right and then test them in lots of different settings with lots of different techniques. Don't worry too much about all the other many factors that might shape state behavior within IOs, IO behavior, or IO reform. The predictive accuracy of these institutional models will be shaped both by the validity of the models themselves (are they internally logical) and by the efficacy of the formal decision rules within the institutions under study. I have briefly addressed the first issue in this paper and have done so at greater length in previous work.²⁰

The second issue rests on the *efficacy* of formal rules and is thus identical to the problem faced by institutionalist scholars who study domestic politics. If stuffing the ballot box is a common occurrence, then the predictions of comparativists like Lijphart (1999), Cox (1997), or Shugart and Carey (1992) will suffer. If politicians listen to campaign donors or narrow special interests in blatant disregard for the preferences of voters in their districts, then the predictions of Americanists like Lupia and McCubbins (1998) will be inaccurate. Similarly, if the management and staff of an IO (or any other international

¹⁹ While legal scholars have a long tradition of taking treaty language and rules seriously, such a practice is the exception among IR scholars, where rules are either irrelevant (Mearsheimer 1994) or reflect underlying interests (Downs et al 1996). Even regime theory, which is supposed to explain the origin and the impact of international institutions, was developed in response to the formalism of organization studies in the 1960s and 70s. The concept of "regime" was preferred to organization in part because the approach could accommodate the informal rules and norms that seemed to account for much of the behavior that scholars observed but could not explain as a result of organizational voting power and formal decision rules. According to Midlmas (1995), a focus on codified treaties and formal rules within IOs actually obscures more than it reveals and "make it difficult for these theories to offer accurate explanations." The growth of formal IOs (Pevehouse et al 2005) and the concomitant increase in the legalization of world politics (Goldstein et al 2000) provides incentives for us to revisit the impact of formal rules on international outcomes and state behavior. Recent empirical work in this tradition suggests that formal rules may do a reasonable job accounting for patterns of outcomes in and around IOs. See especially Pollack 2002; Congleton 2005; Nielson and Tierney 2003, 2005; Strand 2004, 2005, 2006; Lyne et al 2006.

²⁰ Tierney 2003; Lyne and Tierney 2004; Lyne, Nielson and Tierney 2006.

agent) are primarily responsive to bribes, narrowly focused NGOs, or large commercial banks, then PA models that assume formal rules of representation are effective at holding IOs accountable to legally authorized coalitions of member states will make inaccurate predictions about IO behavior.²¹

The previously cited institutionalist literature from the domestic realm has grown rapidly and shaped our thinking about politics precisely because these PA models have been able to account for a wide range of outcomes and behavior. As positive empirical findings pile up, our confidence in the utility of these models has grown. We have not yet seen a parallel effort involving large numbers of scholars over an extended period of time that applies PA models to the study of international politics. So, one strategy is to take formal rules more seriously than scholars have in the past, deduce observable implications from PA models, and then test these implications empirically.²² This strategy does not require deep knowledge of the institutions under study (though, that doesn't hurt). It does require sound theory that links institutional rules to political outcomes, precise decision rules within the IOs under study, good data on the preferences of actors, good data on outcomes or behavior, and a willingness by scholars working in this tradition to stay focused so that contributions may accumulate over time. If scholars jump from one interesting idea to the next, we will end up with lots of interesting ideas but won't know much about the scope or power of this particular approach.

Explore Mis-Specifications and Alternatives

There are, of course, alternative research strategies. Since there are numerous alternative explanations for the empirical questions that PA theory seeks to answer and there are a growing number of fellow travelers that have a flexible notion of what actors count as principals and agents (Gutner 2005; Gilbert and Vines 2001), it makes sense to explore these alternative propositions, however they are labeled. Such an exercise is likely to reveal the influence of non-principals on agent behavior and encourage PA scholars to be more humble about the relative power of their models to explain variation in IO behavior.

Whether the alternative hypothesis is an autonomous IO that implements policy based largely on an internal culture (Barnett and Finnemore 1999) or an IO that is responsive to some 3rd party rather than the aggregated preferences of its member states (Gould 2003),

²¹ A few positive results will tell us little because of problems of observational equivalence, but if large numbers of studies are done within a given research tradition, then such accumulation of positive findings provide greater confidence in the utility of the approach (KKV and JJ).

²² This research strategy is distinct from the predominant approach to framing research in IR, which has been to set up a "three-cornered fight" (Lakatos 1970) in which theory X and theory Y occupy two corners and the evidence occupies the third corner. The two theories make contested conjectures about the same evidence, which is used to judge between them. (Elman 2004). This is not the strategy that institutionalists have pursued in American Politics, Comparative Politics, or Economics. To paraphrase the editor of a prominent IR journal who was advocating a normal science approach, "Stop worrying about the alternative theory so much. Its' champions will claim that you have mis-characterized their model know matter how careful you are. Concentrate on making your own argument and then testing it. If lots of people do that for the next ten years, then we will have some sense of whether you are onto something."

a variety of alternatives hypotheses for IO behavior can be found in the literature. Frequently it is difficult to distinguish the predictions of PA models from these alternatives because a variety of approaches might make similar predictions about the values of outcome variables, even if the causal mechanisms posited in the alternative approaches are quite different. Under these conditions we can learn a great deal about the relative value of the alternative approaches by conducting detailed case studies of decision-making within and around individual IOs. Here a detailed knowledge of individual cases is useful in parsing between different hypothesized mechanisms and judging their relative importance or their interactive effects (Nielson et al 2006;)

A particularly difficult and interesting question arises when a state has some influence on an international organization (or any other agent) both because it is part of a collective principal and thus has some influence on the contract between the CP and the agent, and also has influence on the IO independent of the agency relationship. PA scholars will be tempted to attribute the influence of this member state over the IOs behavior to the fact that the state is a principal (or member of a collective principal) of that IO. Such mistakes cause us to over-state the importance of formal accountability mechanisms and thus the relative value of PA theory. It will not surprise specialists of particular IOs that formal accountability mechanisms are not the only way in which member states wield influence over IOs.

A careful analysis of staff behavior at the World Bank (Weaver 2006) or the United Nations (Smith 2003?) suggests that nationality matters, individual side-payments matter, and informal rules and norms matter a great deal. For example, an analysis of the legal provisions within World Bank and IMF founding documents does not reveal any rule that gives the U.S. government exclusive control over the nomination of the World Bank President or any analogous provision regarding European control over the nomination of the IMF Managing Director. Yet, we observe very powerful norms, which have never been successfully challenged, that given the U.S. and Europe these special privileges. This amounts to an informal screening and selection power for one member (or a small subset of members) of the collective principal. If empirical research analyzing the relative impact of the U.S. government on the leaders of the IMF and the World Bank revealed that the U.S. had more influence over Bank presidents than Fund MDs, then this would be prima facie evidence that such norms matter. Only by parsing the relative effects of these different mechanisms of influence can we make informed judgments about the relative efficacy of formal accountability mechanisms. This obviously matters to us as scientists, but it also should matter to reformers, government officials, and political actors who have to make constrained decisions about how to spend their limited time and resources.

Potential Case Study – UN Security Council and UNSCOM/IAEA inspectors. UNSC is a collective principal with unit veto decision rule. This means that once the UNSC has delegated authority to UNSCOM inspection teams, no individual member of the Security Council has the ability to re-contract with this agent. This becomes a huge problem for the U.S. government in 2002-2003. The U.S. can't control Blix and El Baradei during the run-up to the Iraq War because the U.S. can't get other members of the UNSC to vote

with the U.S. to alter the marching orders issued to UNSCOM and IAEA. This is NOT a case of delegation failure or agency slack. Even though UNSCOM repeatedly takes actions that are opposed by the U.S., makes statements and reveal information that damages U.S. chances of mustering support for a war, and fails to take actions that the U.S. demands. These outcomes reflect the will of the collective principal at time T1 when U.S. preferences were aligned with the other P5. The unwillingness of the UNSCOM agent to respond to U.S. demands is understandable and predictable within a strict PA explanation that focuses attention on the formal rules of authority within the collective principal and in the delegation contract. Of course, these formal accountability mechanisms are not the only means by which the U.S. government sought to shape the behavior of UNSCOM/IAEA agents. A careful analysis of these two cases reveals the strengths and limits of the PA model.

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