THE LIBRARY OF CONTEMPORARY ESSAYS
IN POLITICAL THEORY AND PUBLIC POLICY

POLITICAL ACCOUNTABILITY

RICHARD BELLAMY AND ANTONINO PALUMBO

Political Accountability

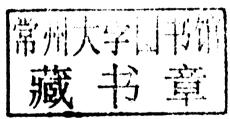
Edited by

Richard Bellamy

University College London, UK

Antonino Palumbo

Palermo University, Italy



© Richard Bellamy and Antonino Palumbo 2010. For copyright of individual articles please refer to the Acknowledgements.

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without the prior permission of the publisher.

Wherever possible, these reprints are made from a copy of the original printing, but these can themselves be of very variable quality. Whilst the publisher has made every effort to ensure the quality of the reprint, some variability may inevitably remain.

Published by Ashgate Publishing Limited Wey Court East Union Road Farnham Surrey GU9 7PT England

Ashgate Publishing Company Suite 420 101 Cherry Street Burlington, VT 05401-4405 USA

Ashgate website: http://www.ashgate.com

British Library Cataloguing in Publication Data

Political accountability. – (Library of contemporary essays in political theory and public policy)

- 1. Government accountability. 2. Democracy.
- 3. Representative government and representation.
- I. Series II. Bellamy, Richard (Richard Paul) III. Palumbo, Antonino.

320'.011-dc22

Library of Congress Control Number: 2009935132

ISBN: 978 0 7546 2806 4



Political Accountability

The Library of Contemporary Essays in Political Theory and Public Policy

Series Editors: Richard Bellamy and Antonino Palumbo

Titles in the Series:

Citizenship

Richard Bellamy and Antonino Palumbo

From Government to Governance

Richard Bellamy and Antonino Palumbo

Political Accountability

Richard Bellamy and Antonino Palumbo

Public Ethics

Richard Bellamy and Antonino Palumbo

Acknowledgements

The editor and publishers wish to thank the following for permission to use copyright material.

Cambridge University Press for the essays: Dennis F. Thompson (1980), 'Moral Responsibility of Public Officials: The Problem of Many Hands', *American Political Science Review*, **74**, pp. 905–16; Ruth W. Grant and Robert O. Keohane (2005), 'Accountability and Abuses of Power in World Politics', *American Political Science Review*, **99**, pp. 29–43.

European Journal of Sociology for the essay: Robert E. Goodin (2003), 'Democratic Accountability: The Distinctiveness of the Third Sector', *European Journal of Sociology*, **44**, pp. 359–96. Copyright © 2003 A.E.S.

Indiana University Press for the essay: Anne-Marie Slaughter (2001), 'The Accountability of Government Networks', *Indiana Journal of Global Legal Studies*, **8**, pp. 347–67.

The Johns Hopkins University Press for the essay: Guillermo O'Donnell (1998), 'Horizontal Accountability in New Democracies', *Journal of Democracy*, **9**, pp. 112–26. Copyright © 1998 National Endowment for Democracy and the Johns Hopkins University Press.

New Left Review for the essay: Jürgen Habermas (2001), 'Why Europe Needs a Constitution', *New Left Review*, **11**, pp. 5–26.

Wiley-Blackwell for the essays: Thomas Christiano (2004), 'The Authority of Democracy', Journal of Political Philosophy, 12, pp. 266–90. Copyright © 2004 Blackewll Publishing; Philip Pettit (2008), 'Three Conceptions of Democratic Control', Constellations, 15, pp. 46-55. Copyright © 2008 Philip Pettit; Arthur Isak Applbaum (1992), 'Democratic Legitimacy and Official Discretion', Philosophy and Public Affairs, 21, pp. 240-74; Iris Marion Young (2004), 'Responsibility and Global Labor Justice', Journal of Political Philosophy, 12, pp. 365-88. Copyright © 2004 Blackwell Publishing; Kaare Strøm (2000), 'Delegation and Accountability in Parliamentary Democracies', European Journal of Political Research, 37, pp. 261–89. Copyright © Kluwer Academic Publishers; Linda Deleon (1998), 'Accountability in a "Reinvented" Government', Public Administration, 76, pp. 539-58. Copyright © 1998 Blackwell Publishers Ltd; Colin Scott (2000), 'Accountability in the Regulatory State', Journal of Law and Society, 27, pp. 38-60. Copyright © 2000 Blackwell Publishers Ltd; David Held (2004), 'Democratic Accountability and Political Effectiveness from a Cosmopolitan Perspective', Government and Opposition, 39, pp. 364-91. Copyright © 2004 Government and Opposition, Ltd., Published by Blackwell Publishing; Joseph E. Stiglitz (2003), 'Democratizing the International Monetary Fund and the World Bank: Governance and Accountability', Governance, 16, pp. 111-39. Copyright © 2003 Blackwell Publishing; Alnoor Ebrahim (2003), 'Making Sense of Accountability: Conceptual Perspectives for Northern and Southern Nonprofits', *Nonprofit Management and Leadership*, **14**, pp. 191–212. Copyright © 2003 Wiley Periodicals, Inc.; Giandomenico Majone (1998), 'Europe's "Democratic Deficit": The Question of Standards', *European Law Journal*, **4**, pp. 5–28. Copyright © 1998 Blackwell Publishers Ltd; Andrew Moravcsik (2002), 'In Defence of the "Democratic Deficit": Reassessing Legitimacy in the European Union', *Journal of Common Market Studies*, **40**, pp. 603–24. Copyright © 2002 Blackwell Publishers Ltd; Richard Bellamy (2006), 'Still in Deficit: Rights, Regulation, and Democracy in the EU', *European Law Journal*, **12**, pp. 725–42. Copyright © 2006 Richard Bellamy; Vivien A. Schmidt (2004), 'The European Union: Democratic Legitimacy in a Regional State?', *Journal of Common Market Studies*, **42**, pp. 975–97. Copyright © 2004 Blackwell Publishing Ltd.

Every effort has been made to trace all the copyright holders, but if any have been inadvertently overlooked the publishers will be pleased to make the necessary arrangement at the first opportunity.

Series Preface

The normative appraisal of public policy – both the process of policy-making and the substance of the policies themselves – is becoming ever more salient for politicians, public officials, citizens and the academics who study them. On the one hand, the wider population is better informed than ever before about the activities of those that govern them and the consequences of their decisions. As societies have become more wealthy, so the expectations of citizens have grown and with it their tendency to criticise those who work on their behalf. On the other hand, though committed to the ideal of democracy, these same citizens have become ever more disillusioned with its actual working as a means for holding politicians and bureaucrats to account. In part, that disillusionment reflects the shift from government to governance both within and beyond the state, which has weakened or dispersed in complex ways the responsibility of politicians for many key areas of public policy. In part, it also reflects the desire for citizens for more individually tailored and particularistic forms of accountability that address their specific concerns rather than those of the collective welfare. As a result, a whole new machinery for standard setting and monitoring political behaviour has developed. The purpose of this series is to explore and assess the normative implications of this development, appraising the efficacy and legitimacy of the procedures and mechanisms used, and the outcomes they aim to achieve.

These issues lie at the heart of many of the most exciting new areas of research and teaching in moral and political philosophy, politics, international relations and public administration, and law and jurisprudence. The essays chosen reflect this disciplinary mix and the interdisciplinary work that has arisen in this area as a result. The volumes will be suitable for Masters and Professional courses in public policy, political theory and international relations; jurisprudence, international and public law; and applied ethics and political philosophy; as well as a useful resource for scholars doing research or those teaching in these areas.

RICHARD BELLAMY

Professor of Political Science and Director of the School of Public Policy, UCL, University of London

> ANTONINO PALUMBO Ricercatore in Political Philosophy, Palermo University

Introduction

POLITICAL ACCOUNTABILITY RECONSIDERED: DEBATES, INSTITUTIONS, RATIONALE

Political accountability is a cornerstone of representative democracy. It represents the umbilical cord that connects citizens to their representatives. Its relevance is manifold. First, it establishes the channels of communication needed to legitimate the decision-making process and its outcomes. Second, it sets the side-constraints necessary for making representative institutions responsive to citizens' wishes. Third, it also ensures the transmission of legitimate authority to the executive and administrative branches of government and helps maintain under scrutiny the activities of unelected officials and civil servants. In short, political accountability is responsible for directing the political system towards the public interest and engendering the principles of social autonomy and political self-determination at the core of democratic politics. Notwithstanding its theoretical relevance, the evolution of actual existing democracies, with their large, centralized governments, has conspired to progressively undermine the ability of citizens to keep their representatives accountable and their political regimes responsive. Far from reversing this trend, the reforms carried out by neo-liberal governments since the 1980s have increased the accountability gap. Globalization and the alleged passage from government to governance have, if anything, aggravated the problem further and started current debates about the inception of a post-democratic age.

In the twentieth century, the dynamics of centralization that affected Western political regimes has been held responsible for making democratic politics progressively more elitist and unresponsive to people's needs and wishes. According to this perspective, economic planning restricted the deliberative power of parliament, party politics curtailed the relevance and freedom of representatives, and bureaucratic centralization undermined ministerial leadership and power of scrutiny over administrative activities. In this context, the system of accountability described by classic constitutional theorists like Dicey has sounded ever hollowed. Rather than producing counterbalancing effects, the neo-liberal attempts to roll back the frontiers of the state have stretched the gap between theory and practice of government to its logical limits. First, privatization has transformed public utilities into private monopolies largely independent from the political process and therefore more difficult to regulate. Second, administrative decentralization and the new public management have caused the fragmentation of large departments and ushered in myriad semi-autonomous administrative agencies whose management is largely free from ministerial control, let alone parliamentary supervision. Third, the shift of the balance of power towards the cabinet has progressively eroded the powers of parliament, rendering utterly archaic the constitutional conventions of political accountability in the process. Last but not least, devolution of powers downwards and outwards has increased the number of subnational and regional political bodies involved in the decision-making process, making it conceptually unclear how to apply the old conventions of accountability to a system of multilevel governance. The notion of accountability that survives these changes is a formalistic and ineffectual form of auditing carried out by a number of agencies and NGOs whose accountability is also a moot point.

The rising of a worldwide neo-liberal consensus has entrenched similar trends across the globe and turned the accountability gap into a problem that affects representative democracy in all its realized forms. This problem is compounded by the proliferation of transnational and international bodies to whom nation-states keep delegating growing powers. Delegation of powers to unelected transnational authorities and NGOs has stretched the lines of accountability thin in ways that make them resemble fragile 'daisy chains'. Two distinctive features set apart the accountability gap unfolding in the international arena from the ones that emerged at the domestic level. First, it takes place in a context lacking a demos and/or legitimate representative institutions. While the international arena does not have a functional equivalent to a domestic civil society, citizenship is still strictly defined at the national level and according to domestic criteria. Thus, the transnational bodies and NGOs enjoying growing delegated powers have not only a remote and tenuous form of legitimacy, but often even questionable democratic credentials. Second, it concerns institutions whose structure and missions are qualitatively different from those for whom domestic conventions of accountability were originally devised. Unlike the institutions of local and devolved government, those operating at transand international levels are task-specific and have unlimited jurisdictions with intersecting memberships. Thus, their activities cannot be scrutinized effectively by constitutional norms devised for geographically restricted, structurally uniform and jurisdictionally circumscribed political bodies.

In this introduction, I endeavour to draw a conceptual map of the issues that have arisen in the various theoretical debates, discussing the state of accountability in representative political systems at both domestic and global levels. To make such a conceptual map intelligible, I start by clarifying the relevance accountability has for democratic politics and then describe the constitutional conventions devised over time to engender it. The final two sections discuss instead the alleged erosion of accountability brought about by neo-liberal reforms of big government, globalization and governance.

Representation, Delegation and Responsibility

Political theory has advanced a double analysis of democratic politics (O'Donnell, 1998). The first concerns the conception of democracy more appropriate for modern society. The outcome of this debate has been a widespread support for representative democracy and the rejection of participatory alternatives. Political practice has followed a parallel course of action and caused the diffusion of representative democracy worldwide regardless of both geography and demography. As a result, representative democracy has not only become the hegemonic form of government in small and large countries alike, but it has also led to the adoption of the same basic institutional template (nested authorities) at federal, national, regional and local levels. The second dominant issue concerns the grounding of political authority (Christiano, 2004). Theoretical debates have seen confrontation between those who sought to ground it on substantive values, and those who instead appealed to mere procedures. Political practice has not settled this issue in favour of one position or another, but has combined procedural and substantive values. The latter refer to the progressive inclusion of liberal rights as extra political limits on majority rule. The former has to do with the defence of majority rule as

the most legitimate form of decision-making in the public sphere. In the post-Second World War period a Schumpeterian settlement was eventually reached. Democratic politics was increasingly perceived as a method for aggregating individual preferences neutrally and for defining the means needed to maximize the satisfaction of social utility functions thus derived. To this end, what was needed was legitimate and responsible expertise, rather than the active participation of the demos in policy-making. Representative democracies have, consequently, endorsed ample forms of delegation, raising growing questions concerning the accountability of those to whom authority has been delegated.

Modern democracy is characterized by a particular type of representation we can call 'political'. To understand it, a comparison with two other main forms is required. First, let us consider legal representation. Here, an agent A delegates to another agent R the power to act on his behalf. Legal representation sets very strict limits to R's discretion and leaves A free to dismiss R at a moment's notice. This is the basic form of representation used in business relationships and in civil and criminal courts. It also had political relevance up to the French revolution, when the ban on imperative mandates caused its demise in the public sphere. Second, we have sociographic representation. This refers to ways of constructing realistic social samples for the purpose of doing surveys and investigations having scientific value. Usually, the representiveness of these samples is achieved by random selection mechanisms. In politics, lotteries were used in fourth-century Athens to select those called to occupy important public offices. Today, they are employed to fill citizen juries operating in criminal courts, or in deliberative democratic experiments. Political representation differs from these two alternatives in two main ways. On the one hand, it attributes to representatives an open mandate in between elections. On the other hand, mandates rest on electoral mechanisms that are not even remotely trying to bring about a sampled image of the citizenry. The hallmark of actual existing democracy is the adoption of political representation as the only valid form of representation. As a result, there arise questions of legislative ethics, concerning both the legitimacy of policy-decisions arrived at by representative bodies and the effectiveness of the mechanisms needed to hold them accountable (Applbaum, 1992; Thompson, 1980).

We can distinguish four main forms of accountability operating along the chain of delegation established by actual existing democracy. At the highest level operates a form of accountability we can also call 'political'. Elected representatives of both branches of government operate, as said, on the basis of an open mandate. As a result, their accountability relies on dialogical processes in which they endeavour to explain themselves to acquire or retain consensus. It is on the basis of these dialogical processes that democratic politics clarifies and develops the normative framework regulating the relationships between the citizenry, the legislative and the executive. The outcome is not only the imputation of responsibilities, but also the revision of institutions and norms that have somehow been shown to be inadequate. Political accountability represents thus a permanent process through which democratic institutions revise themselves to improve their legitimacy. This is significantly different from the vertical accountability that operates within public administrations (Deleon, 1998). Delegation of authority to non-elected public officers takes place according to an established normative framework. Public officers' duties and obligations are regulated by rules that need to be enforced and monitored impartially. Vertical accountability takes, therefore, a more legalistic form aimed at verifying whether the right procedures have been followed correctly. Given this structure, actors in charge of the accountability process turn out to be, on the one hand, the administrative hierarchy and, on the other hand, courts and tribunals.

Recent calls for institutional flexibility and a more enterprising spirit within public administrations have brought to an end the ascendancy of hierarchical forms of organization and vertical systems of controls in the public sphere. These have been supplemented, and sometimes supplanted, by agencies and networks operating in line with managerial forms of accountability. The latter rests on two contrasting features: self-imposed restraints backed up by peer-review systems and the monitoring action of independent auditing agencies (Scott, 2000). First, deregulation promoted the development of self-regulatory practices leading to the emergence of quasi-legal regimes. Second, neo-liberal attempts to reduce bureaucratic burdens led to the rise of semi-juridical systems of enforcement based on the monitoring work of autonomous and impartial agencies. Given the doubts about their democratic legitimacy, the perception of a growing accountability gap affecting current democracies has become a persistent feature of public discussions.

Conventional debates between liberals and democrats centred on the disputed shortcomings of political accountability vis-à-vis vertical accountability (Applbaum, 1992). Liberals viewed the political process as too arbitrary a way to set effective side-constraints on representative institutions and pushed for a more legalistic reading of constitutional rules. For them, proper accountability entailed both the protection of individual rights enforced through independent tribunals, and rigorous systems of checks and balances supervised by autonomous constitutional courts. By contrast, democrats advocated a more political reading of constitutionalism that viewed individual guarantees as the outcome of democratic politics, rather than external side-constraints on it. According to this viewpoint, accountability mechanisms originate as political self-restraints whose aim is to preserve the integrity of the polity. Managerial forms of accountability developed as an intriguing hybrid. On the one hand, they take place outside hierarchical lines of authority and endorse dialogical forms of decision-making (Sabel and Simon, 2006). On the other hand, managerial forms of accountability are part of, and carry further, the process of depoliticization pursued by neo-liberal reforms (Buller and Flinders, 2006). The agencies and networks involved in co-governance are viewed as technical bodies whose role is to strengthen the effectiveness of the policy process. Their legitimacy does not derive from their democratic credentials. Rather, it rests on their independence from the electoral process. In short, they are part of the non-majoritarian institutions composing Majone's regulatiory state (1998).

Accountability has been said to rest on two main pillars: answerability and enforceability (Schedler, 1999). Arguably, a better reading would view these as the opposite poles of a conceptual continuum. Closer to the answerability pole, we find those forms of accountability whose aim is to bring into the public domain information concerning intentions, actions and records needed to evaluate the policy process. This is a form of accountability that seeks the acquisition of information, rather than the attribution of responsibilities or the issuing of sanctions. Moving towards the enforceability pole, we find a second form of accountability where the main goal is to explain someone's choices and actions. This type of accountability seeks not only the release of relevant information, but a full justification for the policy decisions taken. Next, we meet a form of accountability whose aim is to apportion responsibilities and establish some kind of redress for misadministration and public bads. These need not be formal sanctions, but could simply require a public apology. Closer to the enforceability pole

is a form of accountability that entails the issuing of sanctions. These sanctions can be either of a political nature or of a legal type, but also informal. Elections and votes of confidence are examples of the first kind; judicial review and internal disciplinary procedures are examples of the second kind; reputation costs are examples of the third kind. As Schedler explains,

the public nature of accountability serves all three aspects of accountability: information, reasoning, and punishing. It does more than bring the 'forceless force of the better argument' upon the conduct of the accountable party, it also involves an important form of sanction. It exposes cases of misconduct to public opinion, which often provokes highly damaging reputational consequences. (1999, p. 21)

A final point of disagreement between liberals and democrats concerns the notion of responsibility. Liberals tend to stress only personal types of responsibility. According to them, we can meaningfully impute responsibility only to individual agents who have the power to choose freely between alternative courses of action. Conceptually, personal responsibility rests thus on two crucial features: (i) a clear causal link between actions performed and some given states of the world, and (ii) the agent's volition (or lack of) in bringing about a given state of the world, or in foreseeing its likelihood, or in preventing it from happening. In practice, personal responsibility also requires (iii) the adoption of a retrospective outlook, in that it applies to past actions, and (iv) a commitment to identify ways to redress and compensate for abuses, misdeeds and wrongdoings that brought about a given state of the world. Democrats have highlighted the shortcomings this personal conception of responsibility incurs when applied to politics. First, some states of the world are the outcome of collective actions for which it is difficult, if not impossible, to establish individual responsibilities. This has in part to do with the problem of many hands discussed by Thompson (1980), but also with the existence of structural conditions for which nobody can be held personally responsible (Young 2004). Second, contingencies, interferences and the self-reflexive nature of social action conspire to blur the boundaries between volitions and accidents as well as freedom and compulsion (Hardin, 2000). Third, even when personal responsibilities can be imputed, they could rest with previous generations or actors who have no possibility of paying for them, thus making such attribution a mere academic or historical exercise. Finally, the attribution of responsibilities and the issuing of sanctions to those who bear them could fail to set in motion the processes of change needed to avoid those same abuses, misdeeds and wrongdoings from occurring in future. Given these limitations, democrats affirm the need to seek an alternative, more political conception of responsibility (Young 1999). It is, however, a moot point whether this new conception can avoid any reference to personal responsibilities without at the same time serving as a cover for broad immunities.

Delegation Chain and Principle-Agent Problems in Modern Democracies

As seen, liberal democracy identifies a model of government where 'we the people', as the sovereign agent, have a very circumscribed or no real involvement in the policy process. By and large, people's democratic input is restricted to choosing those whom it is demanded shall decide what constitutes the public interest and which means are more likely to accomplish it. The ban on imperative mandates means that once elected, representatives are not legally bound to their voters and constituencies. Rather, they are required to pursue the policies that

according to them realize the common good of the polity as a whole. This represents, however, only the first link of a long chain of delegation ending with the policy implementation carried out by street-level bureaucrats. Here I consider the various links composing this chain and spell out both the accountability problems they entail and the mechanisms employed to tackle them.

The modern decoupling of popular sovereignty from people's involvement in actual policy-making opens up a first critical area of analysis for issues of accountability. First level accountability (L1A) raises the following questions: What sorts of mechanism assure the responsiveness of representative institutions to people's wishes? How is it possible to deter elected representatives from pursuing their own or sectoral interests, rather than the common good? Are there any means for redressing public bads and apportioning individual responsibilities for them? In dealing with questions like these, liberal democracies have endorsed three types of institutional arrangement. First, we have liberal constitutional constraints on majoritarian decision-making: the distinction between ordinary legislation and constitutional rules requiring qualified majorities; division of powers and systems of checks and balances between elected and non-elected public bodies; the rule of law as opposed to the rules of men. Second, there are periodic electoral moments when the citizens are called forth to evaluate their representatives and given the chance to vote them out. Particularly contentious has been a third type of institutional arrangement devised to sanction representatives in between electoral intervals. Several political systems employ impeachment procedures designed to remove from office representatives who have committed crimes and misdemeanours. Few and very limited have instead been the attempts to institute recall mechanisms to punish those who, in pursuing their free political judgment, betray the trust put in them by their own electors. So far, recall mechanisms of this type are to be found mostly in newly established democracies with dubious liberal credentials (the Bolivarian Republic of Venezuela is the only example that comes to mind).

Recall mechanisms of this type have, however, been at the forefront of liberal democratic attempts to tackle second level questions of accountability (L2A); namely, those disciplining the relationships between legislative and executive bodies. The questions raised at this level differ from the ones discussed above because they belong to a more remote link of the delegation chain: the one involving executive officers to whom representatives have delegated some of the powers delegated to them by the citizenry. Besides the constitutional rules establishing the division of powers and systems of checks and balances already mentioned, additional mechanisms of accountability depend on the institutional architecture of the polity. The main variants can be located along a continuum, the ideal poles of which are pure parliamentary systems and pure presidential systems. Parliamentary systems attribute to the legislative an exclusive entitlement to define the public interest and the means needed to bring it about (Strøm, 2000). Presidential systems, on the contrary, establish forms of co-government where both branches enjoy a shared constitutional right to define the public interest and the means to bring it about (Brown, 1998). The implication for accountability is threefold. In parliamentary democracies political accountability aims to reinforce the sovereignty of parliament over the executive, while in presidential systems its goal is that of preserving their respective autonomy. Diverse institutional architectures also explain why debates on accountability at this level overwhelmingly concern parliamentary systems with flexible constitutions, rather than presidential systems with formal constitutions and constitutional courts. Finally, the distinction is conceptually important because it clarifies why in parliamentary systems the alleged erosion of accountability concerns mainly L2A questions (that is, the growing inability of parliament to keep the executive accountable), but refers to L1A issues in presidential systems (that is, the unresponsiveness of representative institutions).

L2A mechanisms rely on a variety of distinctive solutions. In parliamentary systems the most direct way to keep the executive accountable to parliament is through votes of confidence. Since the authority of prime ministers and their cabinets derives from the trust of parliamentary majorities, a negative vote of confidence deprives them of any legitimacy. In other words, votes of confidence have at this level the same political relevance elections have at L1A. Besides vote of confidence rules, parliaments are given the power to sanction national executives by activating formal procedures of impeachment. As in presidential systems, impeachment procedures deal with crimes and misdemeanours and are thus particularly blunt instruments for checking the activities of national executives. Hence their progressive institutional atrophy. Common means by which parliaments can keep governments in check are therefore demanded of conventions regulating ministerial accountability. These conventions give parliaments the power to call their governments as a whole, or its individual ministers, to account for the activities carried out by public offices. They regulate three main aspects of the political process: parliamentary debates and subcommittee powers of investigation, procedures established to apportion individual responsibilities, and sets of sanctions to apply to those who have somehow failed to discharge their duties or abused the authority delegated to them. As mentioned above, their outcome can be a simple public clarification of the type of activities undertaken (informatory responsibility), an explanation of the reasons behind the choice of a particular course of action (explanatory responsibility), the call for some public apology and form of redress for damages caused (amendatory responsibility) or else a call for the resignation of the individuals deemed responsible for policy failure (sacrificial responsibility) (Woodhouse, 1994, pp. 28ff.).

A third traditional critical area of inquiry concerns the activities of the officials filling the ranks of public administrations (P3A). In modern democracies policy implementation is carried out by large civil services employing a vast number of people organized according to a complex, functional division of labour. The enforcement of these public functions is backed by powers of sanction having ultimate democratic legitimacy. Accountability mechanisms are meant to ensure the transmission of legitimate power downwards to streetlevel functionaries while protecting individual citizens from possible abuses. They have also to balance two potentially conflicting sets of loyalties: towards the ministers in charge of the various departments and towards the general public. The first set of loyalties is enforced through the hierarchical organization of public offices headed by ministers who are then politically accountable to parliament. The protection of individual rights is guaranteed by an independent system of administrative justice (judicial review, ombudsman and so on) and is therefore part of a legal form of accountability distinct from the previous one. Vertical accountability is meant to preserve the authority of the sovereign power across the delegation chain operating within a representative political system. At the same time, its function is to keep in check possible abuses of power, sanction those responsible for outcomes incompatible with the common good and establish some form of redress and institutional learning. Thus, it represents a crucial complement to political accountability. Its replacement by managerial forms is therefore viewed as having perverse side-effects on political accountability as well.

Since the 1980s, public administrations worldwide have lost clout in favour of market and quasi-market solutions (Deleon, 1998). These innovations have brought to the fore a fourth critical area of analysis: that concerning the authority and responsibilities of the growing number of appointed public managers, quangos and non-governmental organizations (NGOs): L4A. Compared with L3A, L4A entails two major changes. First, hierarchical lines of authority are replaced by contractual relations and market incentives. Vertical accountability is consequently replaced by the supervision of a host of regulatory agencies enjoying substantial autonomy and discretionary power. As a result, parliaments have now only a remote influence on the regulatory process, while ministers operate by issuing general guidelines. Second, managerial innovations have blurred customary boundaries between public and private domains. Administrative personnel are not only recruited from, and move freely across, distinct organizational domains, but also rewarded according to individual performance. Thus, market dynamics and the profit motive come to dominate over traditional values, loyalties and commitments; a process compounded by the opening of national borders and the rising of the multilevel systems of governance pushed through by globalization. In this context, public goods and services are increasingly supplied by myriads of agencies, partnerships and networks having a semi-public status and operating beyond the jurisdiction of representative institutions entitled to enforce accountability rules. Given the fact that the overwhelming majority of activities carried out at this level concern goods and services for which there is no market alternative, competition turns out to be extremely limited, and with it the supposed benefits of market discipline. Hence the doubts concerning the effectiveness of managerial forms of accountability and rising concerns about a possible accountability gap.

Current debates on accountability have to a large degree adopted economics' methodology and analysed the theoretical questions arising along the delegation chain through principal-agent models (Strøm, 2000). In its basic form, a principal-agent model describes the strategic interaction between self-seeking parties linked by private contractual relations. Given the fact that information is distributed asymmetrically so as to favour the agent over the principal, the former can maximize her self-interest by exploiting the latter. According to whether the information asymmetry pre-exists (hidden information) or follows (hidden action) the establishment of a contractual relation, we can have two main agency problems: (i) adverse selection, when the principal establishes contractual incentives which cause the selection of the wrong type of agent, and (ii) moral hazard, when the principal devises supervising procedures that make it easier for the agent to cheat on him. Agency costs derive from two kinds of behaviour: (a) acts of omission, when the agent does not fulfil her duties towards the principal, and (b) acts of abuse, when the agent goes beyond or against the limits of her mandate. Applied to the various critical areas identified above, we derive four basic principal-agent models:

- P1A describes a *democracy game* where political representatives can easily exploit the citizenry by pursuing their private or sectoral interests rather than the common good.
- P2A describes a ministerial game where the government is able to pursue policies that favour personal or party interests while shifting the blame for policy failure onto parliament.
- P3A describes a *bureau game* where career officers enjoy the benefits derived from delegated authority while making ministers pay for any government failure.

• P4A describes a *managerial game* where appointed managers and quangos maximize their profits regardless of the social and financial costs this brings about.

Principal-agent models have been used first to explain the pathologies of big government and then to support market-based systems of incentives. Their popularity notwithstanding, these models have been shown to be controversial on both counts. First of all, they often fail to capture the logic of interaction unfolding in the public sphere. According to them, the exploitation of political principals rests on the combined outcome of both the self-seeking attitude of the agents and the existence of weak side-constraints on individual action. The latter are in turn due to the transaction costs entailed by imperfect contracts and their legal enforcement. However, these explanations overlook the fact that public interaction always takes place within highly structured and regulated institutional settings. With the exception of P4A, all the levels of delegation discussed above are far removed from the unconstrained market interaction employed in the basic model. Moreover, public bureaucracies rest on recruitment strategies, employment contracts and career prospects that seek to socialize officers into their roles and establish a strong public ethos. This is why monetary incentives play an insignificant role and side-payments are always expressly prohibited. Paradoxically, this means that principal-agent models can be an appropriate heuristic for analysing the side-effects brought about by neo-liberal reforms of big government, rather than explaining the pathologies affecting traditional bureaucracies. Similar arguments can be developed in relation to problems of legislative ethics raised by the democracy game at P1A. It can be argued that at this level, the relationship between the citizenry and its representatives takes the form of a principal-agent model because of the strong liberal objections against any form of imperative mandate.

Political Change and the Erosion of Accountability

Current debates on accountability are fuelled by the widespread perception of a general and relentless erosion. Such erosion is, in turn, imputed to a double process of change: first, the restructuring of national democratic institutions brought about by neo-liberal reforms of big government; second, the stretching of the delegation chain itself under the pressure of globalization. In this section I carry out a critical review of the first type of reason put forward to support this perception – I shall discuss the second type in the following section. To do this, I delve into three tricky questions. The first concerns the definition of the institutional landscape current processes of change are allegedly eroding. The second deals with the ways in which neo-liberal reforms are taken to undermine traditional mechanisms of accountability. The last considers the solutions put forward to counterbalance such erosion.

The discussion carried out so far tells us that representative democracy endorses various forms of delegation. Overall, we have a chain of delegation composed of four main institutional links describing both the problems arising at each level and the solutions devised overtime to tackle those problems (to make the picture more realistic, each link can in turn be represented as a chain in itself rather than a solid tie). Thus, accountability defines two things: (a) the means by which legitimacy flows across institutional levels and (b) the ways in which the responsibilities of those entrusted with delegated power ought to be upheld. There follow two main implications. First, different constitutional orders imply different delegation regimes and