

**Keeping tabs on your cooperating partner:  
A coalition perspective on international organizations<sup>1</sup>**

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Note to reader: I intend to extend the empirical analysis and probably add a section surveying interstate control in other international organizations, such as the World Bank.

**Abstract:** There is broad agreement in the literature that in order to prevent the problem of bureaucratic drift, cooperating states establish various control mechanisms with a view to keeping their common agent in check. This article starts from the observation that states' official or informal discretion in the control of a bureaucracy often varies across countries, thus creating informational asymmetries about the bureaucracy's actions among the member states themselves. The central aim of this article is twofold: First, I contend that this problem, which I refer to as interstate control drift, is pervasive and plays an important role in the design and operation of international organizations. Second, I argue that governments, similar to parties in a coalition government, design mechanisms that allow them to "keep tabs" on each other in order to police the bargain on which their cooperation rests. I illustrate the plausibility of these claims using the case of the European Commission. The article has implications for the literature on delegation, international bureaucracies, and informal governance.

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## **Introduction**

International organizations are formal entities that have states as members and possess a permanent secretariat, bureaucracy or some other form of permanent administration (Pevehouse, Nordstrom, and Warnke 2004). Students of international organization pay special attention to the interaction between states and their administration, since this interaction is believed to be fraught with delegation problems. From the perspective of principal-agent theory (Bendor, Glazer, and Hammond 2001), this is because the bureaucracy (agent) may acquire an informational advantage over the member states (principals) that allows it to deviate from its mandate and act against the member states' best interests. Scholars consequently ask if and how states may design institutions in order to prevent this problem of "bureaucratic drift" (Pollack 1997).

While useful, I maintain that the focus on the problem of bureaucratic drift obscures other, potentially more severe delegation problems that may arise among the member states themselves. These problems are rooted in the fact that states' influence often extends well into the bureaucracy itself. In the case of the European Commission, for example, the member states delegate one of their nationals to head a department of the European Union's (EU) powerful supranational bureaucracy. Although these commissioners are not supposed to take instructions from their home country, they nevertheless serve as vehicles for the member states to gain extra control over departments that are of special sensitivity to them (Kleine 2013a, 2013c). But if individual states influence a bureaucracy from inside, they, too, acquire an informational advantage that they can potentially use to the detriment of their cooperating partners. In that case, the problem of "bureaucratic drift," which stems from informational asymmetries between the administration and the member states as a whole, is replaced with the problem of interstate control, which arises when there are informational asymmetries about the bureaucracy's actions among the member states themselves.

The central argument of this paper is that this problem of interstate control is pervasive and plays an important role in the design and operation of international organizations. To see this, the paper complements popular principal-agent approaches to international organizations with insights from the literature on coalition government (see, e.g., Laver and Shepsle 1990). In coalition governments, delegation problems arise from the fact that the parties to this coalition are better able to control their own cabinet members than those of their coalition partner. The coalition partners consequently design mechanisms that allow them to "keep tabs" on each other in order to police the coalition bargain and, thus, render it credible and more durable (Thies 2001; Martin and Vanberg 2004). Analogously, if there is a chance that one or more states abuse their influence on the bureaucracy, states devise mechanisms that allow them to monitor one another's behavior and police the bargain on which their cooperation rests.

The objective of this article is twofold. First, it seeks to establish that the problem of interstate control drift is indeed pervasive in international politics by describing how states officially or informally permeate international bureaucracies in order to influence them not only from outside, but also from within. Although it is an interesting question in itself, I do not seek to explain why states are officially or informally represented in some bureaucracies and not in others. I simply use this phenomenon as a starting point in order to develop a theory about the problems that states encounter in these situations. Second,

using the case of the European Commission, I demonstrate the plausibility of the argument that states deal with the problem of interstate control drift by devising institutions that are reminiscent of the control mechanisms used in coalition governments. These institutions serve to prevent the accumulation of private information about the Commission's activities and punish cooperating partners in the event of a digression from the cooperation bargain. As a result, neither bureaucratic drift nor problems of interstate control appear to be a major problem in the operation of the European Commission.

By pointing to the problem of interstate control drift, this article contributes to several bodies of literature. The argument that delegation problems arise from informational asymmetries among the principals ties this article to the literature on institutional design and delegation. Standard principal-agent models typically approach principals and agents as two autonomous entities and locate delegation problems in their interaction (Hawkins et al. 2006). I argue, however, that bureaucracies are in fact much more permeable than the standard principal-agent suggests. As this permeability increases, the problem of interstate control as a result of informational asymmetries among the member states gradually overshadows the problem of bureaucratic drift. Since internal influence may be gained through both formal and informal means, a second contribution of this article is to the informal governance research agenda (Kleine 2014). While many studies approach informal governance as an equilibrium based on a tacit agreement that rules may have to be bent in order to keep important members on board (Stone 2011), this study is more concerned with how this agreement is policed in light of the fact that informal governance is often obscure and, therefore, prone to abuse (Kleine 2013b). I argue that in order to prevent informal governance from eroding cooperation, states devise mechanisms that allow them to police its use.

The article begins with a brief review of the delegation literature and its predominant focus on the problem of bureaucratic drift. Against this background, I describe how states' official or informal influence within the bureaucracy itself generates a problem of interstate control. Informed by the literature on coalition government, the subsequent section argues that states may devise mechanisms that allow them to solve this problem by keeping tabs on one another's actions within the bureaucracy. The remainder of the article illustrates the theory's plausibility using the example of the European Commission. The article concludes by discussing the theory's generalizability and implications for our understanding of international cooperation and delegation.

### **Bureaucratic drift in the literature**

The standard principal-agent model, as it is typically applied to international organizations, has its root in the management literature. Here the main delegation problem is as follows. An employer intends to delegate some tasks to an employee. Their interests, however, might not be perfectly aligned. If his actions escape the employer's attention, the employee will slack and act in ways that are not in the employer's best interest. This mundane scenario has spawned a large literature on delegation problems in

international politics where, analogous to the workplace, states worry that their bureaucracy may act in ways that is not in their best interest.<sup>2</sup>

There is wide scholarly agreement that problem of bureaucratic drift will be anticipated and can in principle be limited through the design of control mechanisms that reduce informational asymmetries and punish digression. Its actual risk is an empirical question that is a function of control mechanisms and the principal's capacity to invoke them (Pollack 1997, 129).<sup>3</sup> Some contend that the risk of bureaucratic drift might be especially high in international politics where the principal is typically composed of more than two or more states with diverse preferences and bargaining power (see, however, Lake and McCubbins 2006, 361-362).<sup>4</sup> Drawing on the literature on delegation and bureaucratic drift in American politics (McCubbins, Noll, and Weingast 1987, 248-252; 1989, 439; Kiewiet and McCubbins 1991, 34), the argument goes that multiple principals with heterogeneous preferences will face difficulties taking collective decisions and, therefore, recontracting their bureaucracy in the event of its drift (Nielson and Tierney 2003, 249; Hawkins and Jacoby 2006, 212; Martin 2006, 144).

For our purposes, it is important to note that the standard model—analogue to the workplace—conceives of the act of delegation as a contract between two autonomous entities with potentially conflicting interests. The contract makes the member states the principal or the principals, and the bureaucracy an agent. The chief delegation problems as well as their potential solutions are rooted in the interaction between these two autonomous entities.

The analogy to the workplace reaches its limits, however, once we acknowledge that states, unlike employers, influence their agent's behavior not only by creating incentives to act in the one or the other way. States may also influence the bureaucracy from inside, either because their representatives are officially part of the bureaucracy or because they avail themselves of informal governance. Put differently, bureaucracies are not autonomous actors per se. They are permeable entities that states can control both from within and from outside. As we shall see further below, this implies that delegation problems may not be limited to the interaction between the principal and the agent.

### *Forms of internal influence*

The assumption that bureaucracies are autonomous entities and that states' control is consequently limited to constraining their behavior is challenged by the observation that

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<sup>2</sup> For good summaries of the literature see, e.g. (Hawkins et al. 2006; Bendor, Glazer, and Hammond 2001).

<sup>3</sup> A distinction is typically drawn between police-patrol mechanisms such as annual hearings and justification of agendas that are supposed to prevent agents from shirking, and fire-alarm mechanisms, such as investigations into fraud allegations, that are initiated when the agent is suspected of having abused its power (McCubbins and Schwartz 1984; McCubbins, Noll, and Weingast 1987, 1989). Tana Johnson (2013) argues that international bureaucrats that are involved in the design of international organizations typically push for less stringent control mechanisms.

<sup>4</sup> In this context, Mona Lyne and colleagues (2006) distinguish between multiple and collective principals. In collective principals, members jointly decide on the terms of delegation and then enter into a single contract with the agent. With multiple principals, each principal enters into a separate contract with distinct terms with the agent. However, David Lake and Matthew McCubbins (2006, 361) argue that this distinction is only significant under certain conditions.

states' attempts to wield influence do not stop at the bureaucracy's doorsteps (Kleine 2013c).

First, states are often officially represented at the top echelons of international bureaucracies. The prime example, investigated further below, is the European Commission whose various policy areas are headed by a national, a so-called commissioner, from each member state. Another notable example is the World Bank. Its executive directors have an explicitly dual responsibility, as representatives of the bank's member countries, and as bank officials who represent the Bank's collective interest.

Second, states' internal influence on the bureaucracy may be informal. Some argue that this informal governance of bureaucracies is limited to large states. Randall Stone, for example (Stone 2011; Urpelainen 2012; McKeown 2009), argues that large states assume control of an international organization when they consider their vital interests to be at stake. Others regard informal governance as the result of an exchange of political control over those jurisdictions of an international bureaucracy where states are especially sensitive to the loss of control. As a result, international organizations exhibit "national fiefdoms" in the sense that some departments within the bureaucracy informally "belong" to member states with intense preferences over that policy. Examples for these fiefdoms can be found in many international organizations, such as the United Nations, Nato, and the European Commission (Kleine 2013c).

#### *Internal influence and the problem of interstate control*

The fact that bureaucracies are permeable so that states' influence reaches well into the administration has important implications for our understanding of delegation problems in international organizations. First, the fact that states wield influence inside international bureaucracies means that the problem of bureaucratic drift, which is rooted in bureaucrats' ability to conceal information from its principals, may be less severe than the standard principal-agent model suggests (similarly, Stone 2009). When states are represented within the bureaucracy, there are few opportunities for international civil servants to obtain private information that could be used to the detriment of their principals' interests.

Second, the fact that (some) states wield influence within (different parts of) international bureaucracies means that new informational asymmetries may arise among the member states themselves. Consider the case of informal governance as an expression of asymmetric power. According to the model, informal governance is the result of a tacit deal between a large state and smaller cooperating partners about temporary influence for the large state in extraordinary times in return for more favorable voting rights for small states in normal times (Stone 2011, 26). But how are small states supposed to police this tacit deal if they have less insight into the workings of the bureaucracy than the large state (Kleine 2013b)? Similarly, if states trade control over different aspects of the bureaucracy, how can they make sure that individual states do not use their fiefdom in order to bias the implementation of policies in a way that undermines the collective interest?

### *Summary and statement of the problem*

In short, contrary to the assumption of standard principal-agent theory that bureaucracies are autonomous entities, states frequently permeate their agents' shells in order to control them from within. While the various forms of internal influence on bureaucracies reduce informational asymmetries between the principals and their agent and, therefore, limit the risk of bureaucratic drift, they create new informational asymmetries among the member states themselves. A new delegation problem ensues. If states face difficulties monitoring one another's internal influence, these new informational asymmetries can be abused and undermine the collective interest. I refer to this problem as "interstate control drift." As we shall see in the following section, it is well-known problem in the comparative politics literature.

### **Keeping tabs on cooperating partners**

To answer the question of how states keep tabs on their cooperating partners if these manage to obtain inside influence on the bureaucracy, this section draws on the theory of coalition government in multi-party systems. After a comparison of the problem of interstate control drift in international organizations to that of ministerial autonomy in coalition governments, I discuss a number of control mechanisms that coalition partners use to monitor each other's behavior.

### *International organizations as coalition governments*

In parliamentary democracies, especially those with proportional representation, governments are often formed as a coalition of two or more parties. For that purpose, they must agree on common objectives (the coalition treaty) and the allocation of portfolios (e.g., finance, defense, environment) among party representatives (Laver and Shepsle 1990, 1996). Parliamentary supporters of a coalition therefore delegate authority not only to their own party's representatives, but also to ministers of the coalition partner. While parties have ample means to monitor and control their own party's representative, they face difficulties controlling the ministers of their coalition parties. This raises the question how parties monitor each other's control of government ministries?

A similar logic applies when states are formally or informally present within the bureaucracy. Formal representation or influence through informal governance implies that individual states obtain more discretion over (some aspect of) the bureaucracy than others. Consequently, the agreement on which their cooperation is based becomes more difficult to police (Kleine 2013b). Consider a case where states are officially represented in the international organization by having their nationals head a department or certain units within the bureaucracy. Although individual states might well be able to monitor and punish their own nationals' actions, it will be considerably more difficult for other states to prevent this official from abusing her position beyond what they are willing to tolerate.

### *Keeping tabs on coalition partners*

The literature on coalition governments proposes a number of mechanisms through which coalition parties keep tabs on each other. These mechanisms first and foremost serve to reduce potential informational asymmetries between the partners. Michael Thies (2001) argues, for example, that in order to scrutinize a coalition partner's governing activity, parties create the position of "junior ministers" within rival ministries. Working in close proximity, junior ministers monitor the senior minister's action in order to prevent her from building up private information. According to Thies (585-586), this mechanism is especially relevant when one of the coalition partners holds extreme preferences on an issue (e.g. social democrats on labor, or a green party on the environment). Müller and Strøm (2000) provide evidence for the use of junior ministers in coalition governments, as well as the use of cabinet committees and "inner cabinets" with the same purpose.

Reducing informational asymmetries is only useful as long as parties are able to punish a coalition partner for violating the coalition bargain. A threat to break the coalition, however, is a drastic step that, depending on a party's electoral prospects, is not always credible. More problematic is the fact that the agents that are being monitored (the ministers) are members of the principal (government cabinet) that is supposed to punish deviant behavior. If cabinets operate on the basis of collegiality, the minister in question would always be in the position to block a decision against him. Effective cabinet-level mechanisms therefore require some centralization that allows the coalition to sanction individual ministers without risking the collapse of the entire coalition (Andeweg 2000, 383).

In light of the difficulties of punishing ministerial digression at the cabinet level, Lanny Martin and Georg Vanberg (2004) propose a second institutional arena for resolving multiparty conflicts. They argue that coalition partner use parliamentary scrutiny mechanisms, such as committee oversight or question times, in order to counteract the problem of control drift posed by ministerial autonomy. While these mechanisms are typically thought of as instruments of the opposition to keep a check on the ruling coalition, Martin and Vanberg (2005, 97) argue that they also serve as a tool that parties in a governing coalition can employ to manage the risk posed by ministerial discretion by reducing informational asymmetry and sanctioning digression.

### *Keeping tabs on cooperating partners*

Mechanisms that allow parties to police their coalition bargain may also prove useful in international politics in situations where states are officially or informally represented within the international bureaucracy itself. In this analogy, states form the coalition government by spelling out the terms of their cooperation in a coalition treaty. To implement the distributive aspects of this deal, each state is represented within the bureaucracy and thereby obtains some discretion over the organization's policies. To prevent states from abusing their quasi-ministerial discretion within the bureaucracy, states require additional "interstate control mechanisms" that allow them to reduce informational asymmetries among them and sanction individual digression from their original bargain.

*Proposition: Permeable international organization, with formal or informal state representation, feature interstate control mechanisms.*

The following section explores the plausibility of this proposition using the example of the European Commission.

### **The European Commission from a coalition perspective**

The EU's main supranational secretariat, the European Commission, is arguably one of the most autonomous international bureaucracies worldwide. This section takes a closer look at the Commission's internal decision-making process in order to show that it is plagued with problems of interstate control. For this purpose, I first describe the permeability of the Commission as a result of formal state representation and informal governance. Against this backdrop, I argue that the state representatives within the Commission have devised a number of mechanisms in order to keep one another's discretion within the bureaucracy in check. The following analysis rests on new primary sources from national and EU archives,<sup>5</sup> other primary sources, and secondary analyses.

#### *The European Commission from a principal-agent perspective*

Like any other international organization, the EU is based on several interstate agreements that spell out the broad objectives and rules of cooperation. These agreements concern first and foremost the goal of establishing a single market, in which trade among the member states is as easy as trade within them. The EU institutions spell out these broad objectives in more detail and implement them through the following stylized decision-making process: The Commission sets the agenda by submitting a proposal for a legislative act. After official submission, governments in the Council of Ministers either adopt the legal act, jointly with the European Parliament, by majority vote, or they amend it unanimously. Typically, the European Commission, national administrations, or both, then implement this legal act.

The Commission is composed of an administrative layer of permanent civil servants and divided into several departments, the Directorate-Generals (DGs), as well as a political layer composed of commissioners,<sup>6</sup> each of whom is nominated by the member states and responsible for a specific portfolio and, therefore, certain DGs. The commissioners form

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<sup>5</sup> Bundesarchiv Koblenz and European Commission Historical Archive.

<sup>6</sup> Conditional on the European Parliament's approval, the member states in the form of the European Council appoint the president of the Commission, who himself must accept the composition of his college, i.e. the commissioners that each member state nominated. Until 1993, the Council had to agree unanimously on the entire college including its president. Appointments of new Commissions were consequently preceded by intense negotiations among the member states about the prospective president as well as the distribution of posts and portfolios. The Maastricht Treaty gave the European Parliament and the prospective Commission president a formal say in the appointment procedure. These changes to the appointment procedure notwithstanding, the member states have retained considerable power. The member states jointly set the agenda by proposing a composition of the college that they and the Parliament eventually vote upon (Wonka 2007, 170-173).

the “college” that is headed by the Commission president. This college acts according to the principle of collegiality. In other words, all members of the college, acting on the basis of a majority, are responsible for the Commission’s actions as a whole.

The European Commission is, therefore, the EU’s principal bureaucracy that helps the member states formulate and implement EU law (Nugent 2010, 122-133). Students of the EU usually explain this authority with the vocabulary of principal-agent theory (Pollack 2003). Since governments might give in to the demand of certain domestic interests to renege on an interstate agreement, the member states enhance the credibility of their commitment to European integration by delegating the authority to formulate and implement their agreements to an independent supranational agent that is shielded from these ad-hoc influences (Majone 1994; Moravcsik 1998).

In other words, principal-agent theory usually conceives of the Commission as an autonomous entity in interaction with the member states. The principal delegation problem inherent in this relationship is the problem of bureaucratic drift. A large literature on the Commission consequently explores the efficiency of various control mechanisms that are supposed to prevent the Commission from systematically overstepping its discretion (Pollack 1997, 114-116).

#### *The European Commission as a permeable bureaucracy*

The Commission, however, is less autonomous than principal-agent theory would have it. Most immediately, the member states are officially represented at its political level. Although commissioners are not supposed to take instructions from their home government (nor anyone else), they nevertheless often serve as a transmission belt between the Commission and the home government. There is substantial evidence that the member states deliberately select commissioners at least to voice or even deliberately pursue their interests within the Commission. Arndt Wonka (2008a, 2008b), for example, shows that instead of nominating individuals that are most devoted to the “European cause,” the governments typically select people that share their interests and are easy to control. Consequently, member states typically seek to place “their” commissioners in areas that are of special sensitivity to them (Kleine 2013c).

In an interview, a former senior Commission official confirms that commissioners typically use their position in order to defend their home country’s “red lines” in the formulation and implementation of EU law. Few, however, take direct orders from their home government. This practice of defending one’s home country’s interest is generally tolerated unless it becomes too blatant and obstructive. “The crime is not doing it—the crime is being caught doing it,” says a former senior Commission official. “Decision-making in the [supranational, M.K.] Commission is in fact camouflaged intergovernmentalism” (Interview 14 February 2014). Against this background, it is not surprising that Thomson (2008, 187) finds that the commissioner’s nationality affects the substance of EU’s legislative process: the Commission’s legislative proposal tend to be closer to the position of commissioner’s home country than to the position of other member states.

The member states' influence is not confined to the political level, but penetrates the Commission's administrative level as well. This happens mostly through the Commissioner's personal offices, the so-called *cabinets* (not to be confused with government cabinets) The size and influence of the cabinets grew considerably from an average of four in the late 1960s to fourteen members by the mid-1970s (Michelmann 1978, 495; Pouillet and Deprez 1976, 53). They became a channel for the home government and the states' permanent representations to the EU to raise objections against proposals in the making, and for the commissioners to subsequently intervene in the work of the services (European Communities 1979, 56; Kleine 2013a, chapter 3). The result is that the Commission as a whole, including Commissioners and their DGs, often became fragmented into what has been called "national fiefdoms" (Kleine 2013c).

### *Interstate control problems within the Commission*

We have seen above that the European Commission is far more permeable to member state influence than principal-agent theory suggests. The member states are officially represented within this bureaucracy and do not shy away from using "their" commissioners from defending or even actively pursuing their interests. This state influence reaches well into the administrative level, most notably through the commissioners' personal offices that constantly keep an eye on the civil servants' activities.

Staunch federalists have never been happy about the member states' influence within the Commission. When the first president of the European Commission, Walter Hallstein, realized that his commissioners quietly agreed that their cabinets should be composed of officials of their own nationality, he feared degradation of the Commission's supranational character and was keen to keep the cabinets as small as possible (Lemaignen 1964, 40-50). At the same time, several member states became concerned about their cooperating partners' influence within the Commission and, in response, sought to enhance their influence as well.

A early example of this problem of interstate control is the discussion in the 1960s in an internal meeting of the committee of undersecretaries of German ministries (*Staatssekretärausschuss*). The ministry of agriculture noted that especially France, Italy and The Netherlands were in close touch with permanent staff of their own nationality, and they used these contact to gain first-hand information about the Commission's initiative and, in turn, inform the bureaucracy of their position and red lines regarding an issue (Bundesministerium für Landwirtschaft 1967). Other ministries agreed that in light of other member states' influence on the Commission, it was necessary to follow suit. The committee consequently ordered national officials and the German permanent representation to the EU to establish closer contacts to German civil servants within the Commission (Bundesministerium für Wirtschaft 1967).

Interstate control problems resurfaced during the presidency of the French socialist Jacques Delors from 1985 until 1995. This era is generally regarded as the heydays of Commission autonomy. Yet it was also marked by an increasing heterogeneity within the college of commissioners. Having brought the internal market on the way during his first term, Delors sought to devote his second term to the strengthening of the market's social

aspects. Anticipating reluctance, he and his highly apt cabinet, headed by Pascal Lamy, increasingly bypassed the Commission's cumbersome internal decision-making procedures. In fact, Delors' cabinet was said to be patronizing, even brutal, especially toward other commissioners and their cabinets (Ross 1995, 63-68). Non-leftist commissioners, such as Leo Brittan and Peter Sutherland, became increasingly critical of Delors' leadership and their socialist colleagues' agenda (Peterson 2010). In the early 1990s, for example, the Commission submitted a proposal for a regulation of working time in the European Union that was so controversial even within the Commission that the college abandoned its informal norm of collegiality and adopted the proposal on the basis of a majority vote (Kleine 2013a, chapter 8).

Because of this growing national influence and increasing division within the Commission, each commissioner felt it necessary to stay informed about what was going on in other parts of the Commission (Peterson 1999, 56). The total number of commissioners' official personal staff consequently exceeded three hundred in 1989. Official quotas for the size of cabinets were often circumvented through the association of additional people on the payroll of national governments or political sources (Ludlow 1991, 93). Interestingly, cabinets were not, as one might expect, composed of experts in the commissioner's area of responsibility (Interview with a former senior Commission official, 28 February 2014). On the contrary, cabinet members have always been experts in other fields that fall under other commissioner's responsibilities (Spence 2006, 62). Unsurprisingly, the role of cabinet members has been likened to that of an internal spy.

A Commissioner's cabinet is not only interested in its own portfolio; it also keeps a watchful eye on the portfolios of other Commissioners. [He] has to be a kind of internal spy. To do this job, he has to know what is going on in the DG – and this is not always straightforward...Ultimately, a mandarin has to detect draft proposals of a possible competitor far in advance, because information, if timely received, is power (Eppink 2007, 115-116).

Summing up, the member states' influence extends far into the EU's bureaucracy itself, primarily by means of state-appointed commissioners and their cabinets. On the one hand, this internal national influence levels informational asymmetries between the member states and the administration and, thus, reduces the risk of bureaucratic drift. On the other hand, we have seen that they may produce a new problem by creating new informational asymmetries among the member states themselves. The original cabinet system arguably aggravated the problem of interstate control as the commissioner's personal offices sought to enhance existing informational asymmetries instead of leveling them.

### *Interstate control mechanisms*

The preceding section discussed how growing conflict within the college precipitated problems of interstate control within the Commission. The literature on coalition governments, however, suggests that a problem like this can be overcome through coalitional control mechanisms that allow for the leveling of informational asymmetries and the punishment of digression among the cooperating partners.

### “Junior ministers”

A first control mechanism we discussed above is that of junior ministers. In this mechanism, the coalition partner “shadows” senior minister in order to monitor a potential abuse of her discretion. Similar mechanisms that serve to reduce informational asymmetries among the cooperating partners are in place in the Commission.

In the first decades of European integration, each commissioner was given ancillary responsibilities for two other policy areas that were not necessarily related to the commissioner’s core competence. In other words, the commissioner for agriculture would also have an eye on the common commercial policy. Thus, policy areas would typically fall under the remit of two or more commissioners. Although one commissioner remained in charge, a duumvirate or triumvirate would discuss important decisions before they were put forward to the college (Spence 2006, 62). This system became impracticable, however, and was ultimately abandoned as the Commission’s tasks broadened. Soon thereafter, proposals for similar mechanisms emerged.

When new members acceded the European Union in 1973, first voices noted that a college of more than one commissioner per member state would soon become unworkable. Proposals were made to create the position of junior jobs in the executive (European Parliament 1999). Since the proposal to shrink the size of the Commission and replace senior with junior commissioners required numerous member states to relinquish their official right to nominate “their” representative in this supranational bureaucracy, it never garnered unanimous support necessary to change the EU treaty accordingly (Spence 2006, 57-60). Nevertheless, successive EU enlargements led to a situation where slowly increasing responsibilities had to be shared by a rapidly growing college of commissioners. Commissioners are consequently forced to act as quasi-junior commissioner: With today twenty-nine commissioners, portfolios necessarily overlap and proposals emanating from the Commission now typically broach the responsibility of more than one commissioner.

There are similar norms regarding the staffing of cabinets and the services. For example, there is an informal norm that the Director General (the head of a Commission department) should not be of the same nationality as the commissioner responsible for this policy area. In addition, the Commission president Romano Prodi decided that either the *chef* or deputy *chef de cabinet* should be of a different nationality than that of the commissioner, and that the cabinet itself should represent at least three different nationalities (Agence Europe 1999; European Union 1999).<sup>7</sup> Of course, the commissioner is still able to choose loyal members of cabinet. According to insiders, however, the diversification (in terms of nationalities) of the cabinets has improved the flow of information within this system as existing national and functional networks between co-nationals of different cabinets increasingly intertwine (Interview with a former senior Commission official, 28 February 2014; Interview with a senior Commission official, 6 March 2014; Interview with a senior member of cabinet, 11 March 2014).

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<sup>7</sup> Commission president Barroso subsequently decreed that at least three members had to be recruited from the services (Peterson 2010, 2,5; Egeberg and Heskestad 2010, 780).

### “Parliamentary scrutiny”

Another mechanism that allows the parties to a coalition to police their bargain by increasing the level of available information is through parliamentary scrutiny. Open debates or question times force ministers to explain their actions to their coalition partner. Votes may serve to punish digression from the underlying coalition bargain. Similarly, commissioners and their cabinets may always ask for an open debate on a controversial matter. In principle, the college may vote on a proposal put forward by an individual commissioner.

Most Commission decisions require a majority in the college. Decisions deemed uncontroversial, however, are typically adopted without discussion, although every commissioner always retains the right to ask for a debate on the issue. In principle, this offers the opportunity for individual commissioners to frame an issue as “technical” in order to avoid that other resorts pay attention. In fact, a senior member of cabinet remarked that it is one of his main tasks “to spot dossiers that proceed below the radar level” but might stir up national sensitivities at home (Interview 11 March 2014). Discussions may be opened at three different levels. Once drafted by the responsible DG, substantive sectoral policy proposals may be discussed at meetings of representatives of all commissioners’ cabinets in the so-called “special *chefs*” meetings that take place several times a week. In this case, papers are circulated in advance that provide a summary of positions on this proposal. An insider notes that in these meetings

Other cabinets are thereby made aware of how much opposition remains to a proposal, where it comes from and why. They can thus alert their commissioner (or their capital) accordingly (Spence 2006, 67).

Proposals that remain controversial then proceed to the meetings of the *chefs* or *sous-chefs* de cabinet that take place at least a week before a meeting of the college. In these meetings, as in the meeting of the college of the commissioners, anyone may ask for a discussion on proposals that have so far been deemed uncontroversial. Else it is adopted, as a so-called “A-items,” en bloc with other uncontroversial decisions without discussion.

### “Cabinet hierarchy”

The previously discussed mechanisms, labeled junior minister and parliamentary scrutiny, allow the member states and their commissioner to raise the level of available information and monitor one another’s influence within the Commission. However, information about violations of tacit agreements about informal governance is not enough to prevent them. For that purpose, member states also require a credible threat to punish commissioners and cabinets that abuse informal governance to the detriment of others. This is not easy, however, since such decisions often require consensus and, with that, the agreement of the perpetrator. In our case, the member states have no formal means to force individual commissioners to resign.

Once again, the literature on coalition governments offers valuable insights. It suggests that ministerial cabinets of coalition governments often feature an informal hierarchy of party leaders that agree on sanctions for individual cabinet members. This hierarchy thus

works as a kind of dispute settlement mechanism that resolves conflicts before they can lead to the breakup of the coalition as a whole.

A similar mechanism exists in the European Commission. Officially, the Commission leadership is composed of a president (currently Barroso) and eight vice-presidents that the president appoints. However, the position of Vice-President does not bring any advantages in the college so that they seem to play a very limited role in the Commission's operation (Spence 2006, 49). At the same time, presidents are said to coordinate more intensely with the commissioners of the large member states. Members of the cabinet of the former commissioner for competition, the Englishman Sir Leon Brittan, note that Brittan and Delors held regular monthly meetings, often together with the German commissioner for the internal market, Martin Bangemann (Interview 18 February 2014a, Interview 28 February 2014).

Although the president cannot fire individual commissioners, he has various sanctioning mechanisms at his disposal. Insiders report that since the president controls the agenda of college meetings, he can and does stall proposals of commissioners in principle indefinitely. In addition, the president has substantial control over the short-term budget of individual commissioners, and the threat to cut it substantially has been secretly used in order to discipline commissioners that abuse their power too blatantly.

### *Conclusion*

To sum up, it is an unspoken truth that the member states' wield considerable influence inside the Commission via the commissioners and their cabinets. This influence cuts both ways. On the one hand, it allows the member states to reduce informational asymmetries between them and the civil servants in order to control the bureaucracy especially in areas where they are especially sensitive to an agency loss. On the other hand, the situation involves the risk that one or more member states gain informational advantages vis-à-vis their cooperating partners that they may abuse beyond what is generally tolerated. I argued that the commissioner and their cabinets prevent this problem of interstate control drift through several mechanisms that are reminiscent of mechanisms used in coalition government in order to control rival ministers. Overlapping responsibilities create the equivalent of junior ministers that monitor the behavior of the responsible minister. The right to open up discussions among members of the cabinets or to vote within the college can be compared to parliamentary scrutiny. Finally, an informal hierarchy among the most important members of the commission allows the commissioners to police the tacit agreement on the use of informal governance without risking to put a halt to cooperation as such.

### **Conclusion**

In the past decade, scholars have increasingly analyzed international organizations through the lens of principal-agent theory. The standard model highlights the problem that, once set up, international bureaucracies may gain informational advantages that they use against the best interests of the member states. At the same time, the observation that

states' influence, officially or informally, often extends deep into the bureaucracy itself indicates that this problem of "bureaucratic drift" might not be as pervasive as predicted, but may in fact be overshadowed by different delegation among the member states themselves.

This article argued that states' official and informal influence within international organizations brings about the problem of interstate control drift. As states gain temporary or issue-specific control of an international bureaucracy, they, too, gain informational advantages that they can use in order to bias the organization's policy against their partners' best interests. Drawing on the literature on coalition governments, the article argued further that states reduce informational asymmetries among the member states by devising several interstate control mechanisms. These mechanisms serve to police and enforce the initial bargain, on which the organization is based, and thus to render cooperation more durable.

I applied the coalition theory of international organizations to the case of the European Commission, the EU's principal supranational bureaucracy. In a first step, I described several official and unofficial ways in which the member states exert unilateral influence on different portfolios in the Commission. Especially the system of cabinets, the commissioner's personal office, was found to serve as transmission belts between the member states and "their" commissioners. In a second step, I described how various control mechanisms are meant to prevent that a member states' influence on the Commission gets out of hand. Just like "junior ministers" in coalition governments, commissioners have overlapping jurisdictions that require them to keep tabs on their colleagues. In addition, and similar to "parliamentary scrutiny" in coalition governments, the cabinets meet on a regular basis in order to exchange information about one another's initiatives. As a result, the risk that a member states abuses its influence on the Commission beyond what other cooperating partners are willing to tolerate is substantially reduced.

The findings of this paper points to a blind spot in the standard principal-agent model that obscures the view on several problems of great theoretical and practical significance. By modeling internal bargaining and delegation as two consecutive steps, it ignores the fact that states might not be able to commit to refraining from manipulating the bureaucracy once it has become operative. Principal-agent models consequently neglect the fact that any drift on the part of the bureaucracy away from its mandate might well be the result of states influencing the bureaucracy from inside. In addition, the article contributes to the literature on informal governance by taking seriously the fact that unilateral influence is obscure and results in asymmetric information among the member states about the bureaucracy's action. There is, therefore, a fine line between informal governance practices and institutional pathologies if states are able to use their unilateral influence to the detriment of the organization's objective. To move forward, the literature on informal governance has to show that states are able to deal with this problem of control drift.

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