

Beyond opportunism: Intermediary loyalty in regulation and governance

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Abstract

Regulators and other governors rely on intermediaries to set and implement policies and to regulate targets. Existing literatures focus heavily on intermediaries of a single type – *Opportunists*, motivated solely by self-interest. But intermediaries can also be motivated by different types of loyalty: to leaders (*Vassals*), to policies (*Zealots*), or to institutions (*Mandarins*). While all three types of loyalists are resistant to the traditional problems of opportunism (slacking and capture), each brings pathologies of its own. We explain the behavioral logic of each type of loyalty and analyze the risks and rewards of different intermediary loyalties – both for governors and for the public interest. We illustrate our claims with examples drawn from many different realms of regulation and governance.

Keywords: delegation, indirect governance, intermediary, intermediary agency.

I want real loyalty. I want someone who will kiss my ass in Macy's window and stand up and say, 'Boy, wasn't that sweet!' – Lyndon B. Johnson¹

1. Introduction: Intermediaries, opportunism, and loyalty

All governors rely on intermediaries to govern but are wary of their autonomy. This is why governors often have a strong preference for loyal intermediaries. The quotation from Lyndon Johnson provides a characteristically graphic example; Donald Trump similarly said: “I value loyalty above everything else – more than brains, more than drive and more than energy” (Trump & Zanker 2007, p. 160).

There are good reasons for governors to seek loyalty. While intermediaries may extend a governor's reach and contribute important competencies, all intermediaries possess some degree of autonomy. The literature on indirect governance, from principal-agent (PA) theory to the study of regulatory intermediaries (RI), frequently assumes that governance intermediaries will exercise their autonomy opportunistically, to the extent possible, furthering their own self-interest, not the interests of the governor or the broader public.² Intermediaries “slack,” exerting less effort than contracted; they “slip,” promoting their own status, power, and income; they allow

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themselves to be “captured” by the governor’s targets or rivals; and when it serves their purposes, they deceive, confuse or betray the governor.

Intermediary loyalty promises governors some relief from the problems of opportunism. Loyalty is a “special attachment” (Hirschman 1970, p. 77) to an external object of loyalty (e.g. a person, policy, or institution) that displaces the loyalist’s devotion to self-interest. A loyal intermediary will not slack, slip, or submit to capture if this harms the object of its loyalty. Loyal self-restraint can thus make intermediary autonomy less threatening to a governor – so long as intermediaries’ loyalties coincide with the governor’s interests or goals, as where intermediaries are loyal to the governor itself or to objects of loyalty consistent with its goals.³ For these reasons, governors are often aggressive in seeking loyalty: James Comey (2018, pp. 237–238), former FBI Director, describes President Trump’s face-to-face demand for personal loyalty as resembling “Sammy the Bull’s Cosa Nostra induction ceremony.”

Similarly, loyalties that are consistent with effective, responsive, and legitimate governance can promote the public interest.⁴ For example, the German Chancellor Bismarck enjoyed broad autonomy from Emperor Wilhelm. He did not simply execute the Emperor’s instructions, but autonomously made his own policies, which often ran counter to Wilhelm’s instincts. Wilhelm even complained that it was “hard to be Emperor under such a Chancellor.” But Bismarck did not abuse his autonomy to pursue his own self-interest; rather, his loyalties were to Wilhelm and to Prussia (von Krockow 1997).

Yet loyalty is a mixed blessing: while it mitigates self-seeking, it can create new problems, especially when intermediary loyalty does not coincide with the interests of the governor or the public. For example, Talleyrand faithfully served Napoleon, inter alia as Foreign Minister, for almost a decade. However, when Napoleon began to wage wars of choice that endangered France’s hegemony in Europe and its domestic stability, Talleyrand clandestinely supported the Bourbon restoration plotting against him. Here too, Talleyrand was not pursuing his own self-interest (indeed, he sacrificed his position under Napoleon), but rather his loyalty to France, which came to diverge from Napoleon’s interests (Willms 2005). Moreover, as Talleyrand’s plotting nicely exemplifies, intermediary loyalty does not necessarily mitigate problems of guile and cunning.

In this paper, we theorize the behavior of loyal intermediaries, in contrast to that of opportunists, and the consequences of their actions for governors and the public interest. In the following sections, we ask three broad questions: How do governance intermediaries exercise their autonomy? When will their choices benefit or harm their governor? And when will they serve or undercut the public interest? These are important questions not only for high-level intermediaries such as Bismarck and Talleyrand, but also for operating-level intermediaries, from executive branch bureaucracies and independent regulatory agencies to intelligence agencies, central banks, and international organizations.

In response to the first question (Section 2 below), we draw on a wide range of empirical examples and literatures to distinguish three loyalist ideal types: *Vassals*, loyal to particular persons; *Zealots*, loyal to specific policies or principles; and *Mandarins*, loyal to particular institutions and their rules, procedures, and ethos. All three forms of loyalty engage actors’ emotions and identity, and follow a logic of appropriateness. We treat *Opportunists* as a theoretical baseline against which to contrast loyal behavior.

In response to the second question (Section 3), we discuss the behavioral logics that follow from the motivations characterizing each ideal type, and the policy benefits and control problems these create for governors. Different forms of loyalty enable intermediaries to faithfully perform specific governance functions, such as enhancing the credibility of commitments. Yet each type of loyalty also carries its own pathology, despite seeming coincidence with the governor’s goals: *Vassals* may *over-comply*, following or anticipating their governors’ wishes even if doing so is ultimately self-defeating; *Zealots* may *over-commit* to their favored policies, refusing to balance competing considerations that their governors favor; and *Mandarins* may be *over-conservative*, insisting on established institutional practices even when the governor seeks flexibility.

To address the third question (Section 4), we explore the implications of intermediary types for the public interest – understood as both enabling effective governance where the governor’s interests align with the public interest, and constraining the governor’s authority where those interests diverge. *Vassals*’ personal loyalty can make a governor more effective, but can also shield it from public accountability and undercut checks and balances designed to prevent *authoritarian rule*. *Zealots*’ commitment to specific policies can motivate them to acquire relevant expertise, but risks skewing public policy in *extreme, absolutist directions*. Finally, *Mandarins*’

devotion to institutional traditions can check the governor's power, but can also lead to excessive *bureaucratization* and red tape.

Section 5 concludes by emphasizing the pervasive and diverse institutional design issues involved in enabling effective governance through loyalist and opportunistic intermediaries, and in ensuring that those intermediaries serve the public interest. In the light of intermediary loyalty, understanding how governors and intermediaries behave, and how rules, institutions, and practices shape the processes by which intermediaries are developed, selected, assigned roles, managed, and protected from political interference, are central to good governance. In addition to their importance for regulatory policy, these mechanisms are central to constraining excessive accumulations of authority and defending democracy from illiberal forces.

2. Intermediaries: Four ideal types

Governors enlist intermediaries to address the targets of regulation and governance in ways that governors themselves cannot.⁵ More specifically, governors enlist intermediaries to extend their own reach and to gain governance competencies they lack, such as policy expertise, operational capacity, legitimacy, and credibility to third parties. Whatever the control regime in which they operate – delegation, orchestration, cooptation, or trusteeship – the competencies intermediaries contribute guarantee them some degree of autonomy from the governor's control; the more the governor depends on those competencies, the more autonomy intermediaries enjoy (Abbott *et al.* 2020). Information asymmetry further enhances autonomy: governor control is inevitably limited by the governor's lack of perfect information on its intermediaries' motivations and activities. And, in general, it is “costly and may be impossible to design a system of supervision with rewards and punishment such that everyone has the incentive to exert himself” (Sen 1977, p. 334).

How do intermediaries exercise their autonomy?⁶ The PA and RI literatures frequently assume that intermediaries are *Opportunists*.⁷ Opportunists are egoistic: self-seeking, loyal only to self.⁸ They act exclusively to further their own interests, such as their income, status, and leisure, without regard for the effects of their actions on others. The characteristic problems they create, in these literatures, are self-interested shirking, slippage, and capture. Moreover, Opportunists are “self-interest seeking with guile,” in Williamson's (1975, p. 255) famous phrase; they exploit their autonomy “to mislead, distort, disguise, obfuscate, or otherwise confuse” the governor.

This is, however, “a remarkably thin view of [intermediary] behavior” (Hawkins & Jacoby 2006, p. 199). Intermediaries may have motivations other than pure self-interest, and those motivations will produce different behavioral logics, with different implications for governors and the public interest, for the success or failure of regulation and governance. The study of indirect governance must take such variations seriously.

More specifically, we argue that many governance intermediaries are motivated by different forms of loyalty, not (only) by self-interest. We do not claim that these forms exhaust the possible variations among intermediary motivations, but we do claim that they are particularly important to regulation and governance.

Loyalists are driven by allegiance or devotion to an object of loyalty other than self. Allegiance or devotion is not motivated by self-interest: Don Sutton, the Hall of Fame baseball pitcher, famously said “I'm the most loyal player money can buy,”⁹ but that is not true loyalty, as Sutton clearly understood. True allegiance or devotion – what Sen (1977, pp. 326–329) calls “commitment” – “drives a wedge between personal choice and personal welfare,” leading actors to choose certain actions even if doing so reduces their own personal benefits.

We distinguish three distinct objects of loyalty – to a person, a policy, or an institution – drawing on examples from diverse historical periods and literatures ranging from public administration and regulatory governance to the study of party loyalty, international civil servants, authoritarian regimes, criminal and terrorist organizations, and the “deep state.”¹⁰ We identify three ideal types of loyalist intermediaries – Vassals, Zealots, and Mandarins – each corresponding to a different object of loyalty. In its pure ideal type, each category of loyalist owes complete allegiance to only one object of loyalty.¹¹

Vassals are intermediaries loyal only to a specific person or group.¹² Here we treat Vassals as loyal to the person of the governor, be that an individual – such as a president, a party leader, or the head of a regulatory agency (Egorov & Sonin 2011) – or a group, such as the Politburo, the cabinet, or a ruling junta (Hildreth *et al.* 2016).¹³ Personal fealty characterizes a wide range of governance relationships, from Mafia members loyal to their

godfather to officials devoted to a charismatic leader. In much political discourse, as in the statements of Presidents Johnson and Trump quoted earlier, “loyalty” refers only to this type.

Zealots are intermediaries loyal only to a specific policy, principle, or ideology.¹⁴ Examples include NGO activists committed to human rights, economists committed to neo-liberal policy prescriptions, environmentalists committed to combatting climate change, and Marxist revolutionaries committed to a Communist utopia.¹⁵

Mandarins are intermediaries loyal only to a specific institution, such as the Department of Justice or the European Court of Justice. That includes the ethos, traditions, and protocols of the institution, including its rules, procedures, and practices.¹⁶ Loyalty is to the institution itself, not to its incumbent leaders: for example, to the presidency, not the sitting president; to the regulatory agency, not its director. Here we treat Mandarins as loyal to the institution for which they act.

Table 1 summarizes these four intermediary types, defined by the distinct interests or loyalties that motivate their actions.

Importantly, while their motivations vary, all four types – not only Opportunists – act rationally and strategically. Thus, for example, a Zealot may strategically accept weaker action on a favored policy in the short run if it calculates that doing so will contribute to stronger action in the long run. In addition, like Talleyrand and Bismarck – not to mention Mafiosi and Marxist revolutionaries – intermediaries may act with guile and cunning whether they are driven by self-interest or by loyalty. Finally, in all four ideal types, intermediaries use other elements of their social environment – including other persons, policies, and institutions – instrumentally, in line with their motivations. Thus, all four types may disregard the effects of their actions on other interests, persons, policies, or institutions, and may utilize, betray, or sacrifice other interests, persons, policies, or institutions where this furthers their own singular ends.

While self-interest and the three forms of loyalty share important common features, including strategic rationality and instrumental behavior, loyalty differs from self-interest in other ways, giving loyalists special characteristics not shared by Opportunists. Pure loyalty stems from a “sense of obligation;” actors are loyal “because it is the right thing to do” (Fletcher 1995; Kleinig 2014; Hildreth *et al.* 2016). In other words, the relationship between a loyalist and the object of its loyalty follows a logic of appropriateness (March & Olsen 1998), not (as with Sutton and other Opportunists) a logic of consequences.¹⁷ The loyalist’s attachment to its object often has a strong emotional component (Connor 2007; Kleinig 2014); it “is deeply affective and not primarily rational” (Shklar 1993, p. 184). The attachment expresses social status and belonging, constituting, certifying, and signaling actors’ identities and self-conceptions – who they are, or at least who they aspire to be (Connor 2007, p. 49; Newson *et al.* 2016).

The nature of loyalist attachments has three implications for behavior, all of which stem from the commitment to an external object and the logic of appropriateness that characterize loyalty.

- First, the logic of appropriateness means that pure loyalists will remain faithful to the object of their loyalty in the face of competing considerations, including self-interest. In extreme cases – for example, Mafia members, committed revolutionaries, suicide bombers, and Secret Service agents – loyalists even sacrifice their lives.
- Second, the logic of appropriateness makes loyalists relatively inflexible. In particular, while loyalists may make compromises for strategic reasons, they strongly resist tradeoffs with other objects, including self-interest: for example, a Vassal will not sacrifice the governor’s personal interests for policy gains; a Zealot will not sacrifice policy gains for personal side-payments; and a Mandarin will not harm its institution to please the governor.¹⁸

Table 1 Four ideal types of intermediary motivation

Actor	Motivation
Opportunist	Self-interest
Vassal	Loyalty to person
Zealot	Loyalty to policy
Mandarin	Loyalty to institution

- Third, their grounding in identity, emotional attachment, and a logic of appropriateness renders loyalties highly stable. This makes them easier to assess than goals, interests, or preferences, which tend to be more fluid.¹⁹ To be sure, exogenous changes in social context or endogenous changes of character can trigger shifts in or losses of loyalty, but giving up an established loyalty is always a wrenching decision. A significant shock is necessary, and even then loyalty may persist for a considerable time.

How do actors acquire loyalty? We can only suggest some relevant processes here.²⁰ Some loyalists are “born”: their families have traditional attachments to a person (the Mafia don), policy (civil rights), or institution (police, military, civil service). Charismatic persons (Mao, Trump) and institutions (FBI, Green Berets) attract loyalty. Educational programs frequently instill seeds of loyalty or strengthen nascent loyalties. Close association with loyalists can socialize actors into loyalties. Loyalty may also be shaped by broader forces, including religion and culture, socially constructed and sometimes deliberately inculcated through education or indoctrination, as in the Chinese Cultural Revolution (Sen 1977, p. 334). While loyalties (like goals, interests, and preferences) cannot be observed directly, intermediaries’ prior involvement in processes such as these can “reveal” the presence of particular forms of loyalty. These processes can also modify or destroy loyalty, but not easily or quickly.

Finally, actors may initially enter a relationship out of self-interest – “hitching their wagon to a star” who promises status or riches, to an institution that promises power or security, or to a policy position that promises advancement – but develop loyalty over time (Zakharov 2016). Actors may develop true loyalty through socialization or habituation, or may simply become so deeply dependent on a person, policy, or institution that they must continue to behave loyally.

Actors may, of course, disguise their true commitments, initially or throughout the relationship. Governors employ a variety of techniques – from investigating past behavior and associations, to requiring training and socialization programs, to demanding costly signals of loyalty – to identify and shape intermediaries’ commitments. This last point is especially salient: Chinese leaders require officials to demonstrate loyalty through public “groveling” (Shih 2008), while in the Mafia and terrorist groups, “to prove their allegiance members ... are often required to kill, kidnap or rob” someone (Crenshaw 1986). Such actions also buttress loyalty with self-interest, making continued loyalty – or as-if-loyal behavior – essential by foreclosing outside options or creating risks of punishment.

Loyalty can be an attribute of individuals or collectives. While we emphasize individuals – and the allegiance of Vassals, Zealots, and Mandarins is easiest to understand at that level – organizations can also exhibit loyalty, just as it sometimes is useful to talk about “organizational interests.” Social movements and advocacy NGOs cohere around principles and policies; government auditors, inspectors general, and tax administrations dedicate themselves to rule compliance; Marxist, Leninist, Stalinist, and Maoist parties take on the name and identity of their leaders (Michels 1910 1999, p. 93). In all these cases, an organization with a strong and homogeneous culture of loyalty can itself usefully be characterized as a loyalist of a particular type.²¹ The loyalty of the group and its members – as well as organizational norms and rules – then reinforces individual loyalty.

An organizational culture of loyalty can evolve over time through the self-reinforcing effects of individual actions, or it can be instilled by the organization’s leaders through training and indoctrination, promotion criteria, and other techniques. Governance institutions often attract (and recruit) intermediaries of a particular type. Institutions structured around performance-based compensation attract Opportunists. Institutions dominated by strong or charismatic leaders or patronage parties attract Vassals. Mission-oriented institutions – such as environmental protection or law enforcement agencies and revolutionary parties – attract Zealots. And institutions with strong legalistic traditions and operating protocols, and merit-based recruitment – from courts to welfare administrations – attract Mandarins. These selection effects concentrate on a single type of loyalty within the institution. The institutions that attract different intermediary types may also be more prominent in particular polities: for example, institutions with performance-based compensation in Anglo-Saxon liberal democracies; institutions with legalistic traditions in continental European democracies; institutions with strong policy orientations in revolutionary states; and institutions with strong leaders in authoritarian states.

Finally, it is important to note that real-world intermediaries rarely conform to the pure ideal types presented here. Most intermediaries are blends of different types. First, an intermediary may simultaneously possess more than one form of loyalty. An individual intermediary may be loyal to both her supervisor and her institution; a

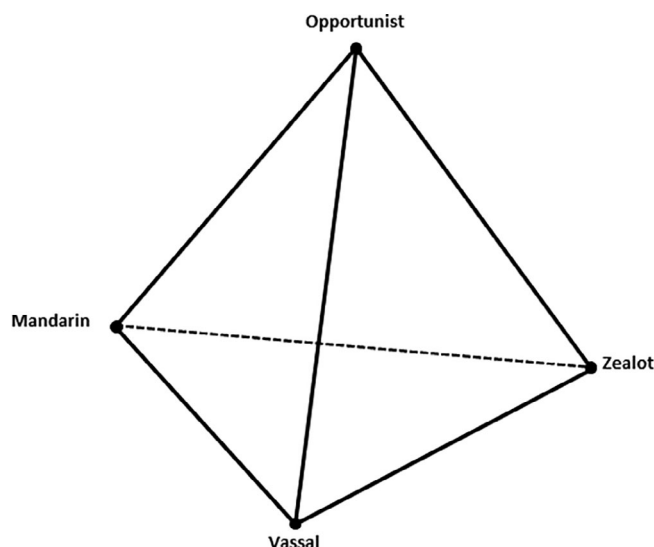


Figure 1 Intermediary types and blends.

collective intermediary (e.g. a regulatory commission) may include some participants who are loyal to the governor,²² others to the institution, still others to particular policies. Second, even loyal intermediaries typically retain some, perhaps substantial, self-interest, while many Opportunists are also guided in part by loyalties. Such mixed motivations can produce serious tensions when they conflict, shaping how particular intermediaries behave and how governors can assert control. In addition, blended intermediaries may switch between motivations as their social context changes; for example, the sudden opening of a window of opportunity may bring an intermediary's opportunistic motivations to the fore.

The tetrahedron in Figure 1 depicts these variations. The four vertices of the tetrahedron represent ideal type Opportunists, Vassals, Zealots, and Mandarins. Points located on the edges, surfaces, and interior of the tetrahedron represent different combinations of motivations, at the individual or collective level.²³ Despite the prevalence of hybrid commitments, however, understanding the pure ideal types remains an essential first step in analyzing the intersecting commitments that characterize mixed cases.

The pure types provide a toolkit for unpacking the motivational complexity of individual intermediaries. When President Trump contested the outcome of the 2020 presidential election, for example, many local election officials were torn between party loyalty, the personal loyalty Trump demanded, loyalty to the norms and procedures of their office, and their own political prospects; officials balanced these motivations in very different ways.

The pure types also provide tools for unpacking disparate motivations within collective intermediaries. For example, even where members of the Trump cabinet behaved similarly, as by lavishly praising the President, some may have been Vassals, others Opportunists, still others Mandarins who felt praise was necessary to retain a seat at the table.²⁴

Finally, the pure types provide important guides for institutional design, as discussed further in Section 5. Organizations, rules, and practices can be structured to promote and regulate the behavioral logics of each type, as appropriate, even if actual intermediaries have blended motivations. In sum, only by understanding pure intermediary types can we appreciate the full range of possibilities and limitations for governance through intermediaries.

3. Intermediary loyalty and the governor

In this section, we analyze the behavioral logics associated with the motivations of the four intermediary ideal types, identifying the benefits and problems these create for the governor in terms of policy and control. The presence of these logics can also be indicators of intermediary type, so long as they can be independently observed. Again, we begin with Opportunists as a baseline, then contrast Vassals, Zealots, and Mandarins in turn.

3.1. Opportunists

Opportunists are self-seeking; they exploit their autonomy, often with guile, to further their own self-interest. While the literature emphasizes the control problems this creates, self-seeking also produces significant advantages for governors. Opportunists are relatively easy to manage, through appropriate incentives and oversight, including the threat of withdrawing incentives.²⁵ Incentives are frequently material, but may also be ideational, for example, status. Yet governors must be prepared to provide such incentives, as Opportunists cannot be managed in any other way.

Precisely because Opportunists have no loyalties to persons, policies, or institutions that might interfere with their responding to incentives, they have a broad “zone of indifference” (Barnard 1938) within which the governor can steer their behavior. This makes Opportunists flexible and versatile. They can be incentivized to carry out a wide spectrum of behaviors and activities. They are easy to hire: they will accept any position that pays sufficiently well. They are easy to direct: they will pivot to new goals, policies, procedures, or tasks when incentivized to do so. Their sensitivity to incentives makes Opportunists ideal for tasks that require unthinking compliance and disinterested execution, as in Taylorist institutions that seek to purge their members of any loyalties that might interfere with “scientific management” (Fukuyama 2004, pp. 62–63). Responsiveness to incentives also makes Opportunists convenient choices for doing the governor’s “dirty” work. For example, many companies outsource layoffs to “outplacement services,” while governments outsource covert or unlawful military actions to private security companies (Kruck 2020).

Opportunists are hired for their expertise and other competencies, and they invest in developing competencies that will help them obtain desirable positions. However, they are wary of competencies that are so governor- or position-specific as to lock them into their current roles and hinder them from taking up more lucrative ones. Opportunists prefer to invest in competencies that are marketable to diverse governors for diverse positions. This preference reinforces their opportunism, impedes the development of stronger connections to their current governor and position, and limits their usefulness for governance functions that require governor- or position-specific competencies.

Reliance on Opportunist intermediaries also carries control costs for governors. As the PA and RI literatures emphasize, Opportunists are liable to slacking, slippage, capture, and other forms of agency loss. For example, during the Cold War, the US military services systematically biased their estimates of Soviet nuclear missile capabilities – the Air Force high, the Army, and Navy low – to favor their own procurement budgets (Ellsberg 2017, chapter 6). In the early 2000s, private credit rating agencies (CRAs) were often captured by the financial institutions they were tasked to regulate. To maintain lucrative contracts with their regulatory targets, CRAs issued over-optimistic ratings that contributed to the global financial crisis (Kruck 2017).

3.2. Vassals

Vassals owe their allegiance to the governor personally. Hence, they are far less likely than Opportunists to engage in slacking or slippage, submit to capture, or exercise guile vis-à-vis the governor. Rather, their devotion leads them to exert strong efforts to achieve the governor’s goals. Thus, many governors, like Johnson and Trump, are eager to enlist Vassals: “a newly elected presidential administration places the highest value on an appointee’s unwavering commitment to the president and to his programs” (Edwards 2001).²⁶

Because Vassals will do whatever the governor wants, the tight controls required for Opportunists are unnecessary. This reduces control costs and allows the governor to employ Vassals for tasks and activities she cannot properly supervise. When the governing institutions of the Soviet Union began to fray in the 1980s, for example, relations of personal loyalty largely took their place, structuring governance, and politics (Belton 2020).

Vassals’ devotion means that they can be induced to act through less costly means than can Opportunists. Because of the emotional nature of their attachment, their most valued reward is proximity to the governor they admire, along with recognition of the sacrifices they make on the governor’s behalf. These preferences allow governors to incentivize Vassals through the “carrots” of proximity and praise, and the “sticks” of exclusion and shaming. Again, however, the governor must be prepared to provide sufficient proximity.

The Vassal’s dedication can buttress a governor’s rule in multiple ways. Governors can trust them with the most important responsibilities of their rule. Personalist dictators such as Saddam Hussein, whose greatest

concern is overthrow by elites, often place Vassals in high positions for this reason (Egorov & Sonin 2011; Ezrow & Frantz 2011). Governors can also trust Vassals to bolster their authority through costly signals of fealty. In the United States, for example, Vassals publicly lied for President Trump (Cowen 2017). In China, officials frequently heap extravagant praise on the “thoughts” of party leaders, even though such “nauseating” bootlicking violates a norm against cults of personality and forecloses recruitment by other leaders (Shih 2008).²⁷

Vassals operate as direct extensions of the governor. This makes them valuable where a governance organization includes many Opportunists or loyalists left in place from previous administrations: Vassals will robustly monitor and oversee these actors, enhancing the governor’s control. Vassals will likewise work diligently to fulfill the governor’s policy promises to powerful coalition partners, allies, and other stakeholders, reinforcing the stability of the governor’s rule.²⁸

Vassals’ personal allegiance means that they will carry out legally or morally questionable actions on behalf of the governor. While Opportunists may engage in shady actions after a proper risk assessment and with sufficient compensation, Vassals are willing to carry them out even at high personal risk, as Michael Cohen did for President Donald Trump, or as regional governors in Russia do in stuffing ballot boxes for the ruling party (Koenig 2015). Vassals will often “go down with the ship,” remaining loyal to the governor even as legal or political problems pile up.

Importantly, Vassals will anticipate the governor’s wishes (even if questionable) and proactively work to fulfill them, without explicit direction. For example, “when Germany invaded the Soviet Union, the SS took the initiative to devise the methods of mass killing without orders to do so” (Snyder 2017, p. 19). No explicit command by the Fuehrer was required.

Finally, Vassals will invest in expertise, skills, and other competencies specific to the needs of the governor; these investments reinforce their allegiance. While some are specialists, Vassals often develop a broad range of abilities; the frequent description of Michael Cohen as President Trump’s “fixer,” not just his lawyer, suggests the breadth of the tasks he was assigned. Generalist Vassals will attend to any of the governor’s concerns, personal or political, official or unofficial; they have no commitment to particular policies or practices. However, as “jacks of all trades and master of none,” the competencies of generalist Vassals are often broad but shallow.

Indeed, Vassals are likely to be less competent on average than other intermediary types, as highly competent actors are unlikely to accept positions that require servility and bootlicking. For example, Lyndon Johnson routinely humiliated his staff. As a result, only individuals personally devoted to him would join the staff, repeatedly stymieing Johnson “in attempts to recruit talented individuals to work for him” (Caro 2002, p. 129). Governors that prioritize personal loyalty must thus be willing to accept less competent intermediaries to obtain it (Abbott *et al.* 2020).²⁹ As Hannah Arendt observed: “lack of intelligence and creativity is still the best guarantee of their loyalty” (Arendt 2004/1951, p. 339).

Beyond incompetence, governors face two significant problems with Vassals. First, because Vassals desire privileged proximity to the governor, they engage in intrigue to keep other intermediaries at a distance, producing infighting that undercuts effective governance. In the Nazi regime, for example, Martin Bormann maneuvered constantly to prevent other officials from speaking to Hitler without Bormann’s permission and presence (von Lang 1977). In China, members of political factions promote negative news coverage to discredit other faction members (Chen & Hong 2020). The common practice of official “leaks” damaging to other officials may reflect the ubiquity of Vassals.

Second, Vassals tend to over-comply with the governor’s wishes. They slavishly follow – or anticipate – the governor’s whims, hints, and directions, even if these are poorly suited to achieving its goals or protecting its authority. For example, four knights in service to Henry II (true vassals!) famously seized on Henry’s expression of frustration to execute Thomas Becket in Canterbury Cathedral, risking Henry’s excommunication and forcing him to engage in public penance. In addition, Vassals are often “yes-men” (Prendergast 1993): they withhold adverse information so as not to undermine their relationship with the governor (Wintrobe 1998).

Imposing tight controls to avoid these problems may actually worsen them. Close supervision may lead a Vassal to conclude that the governor does not respect its sacrifices, generating resentment. A spurned Vassal is dangerous, especially if it has been privy to the governor’s most personal, even secret actions. Under strong pressure, the Vassal may eventually abandon its personal loyalty, turn on the governor, and cause it harm out of spite, as Michael Cohen did.³⁰

3.3. Zealots

Zealots are loyal to specific policies or principles; they devote their attention, energies, and resources to furthering those policies or principles. This focus can create important benefits for governors whose goals coincide with Zealots' policy commitments. Where they do, Zealots are less likely than Opportunists to slack and slip, less vulnerable to capture, and less likely to exercise guile vis-à-vis the governor.

Zealots' most valued reward is autonomy to pursue their preferred policies. Like Vassals, then, they are less costly than Opportunists to employ: as Gailmard and Patty (2007) argue, governors can provide Zealots with policy discretion as a partial alternative to monetary compensation, but must be prepared to grant such discretion. Where their favored policies coincide with the governor's goals, moreover, Zealots enable governors to economize on control costs: like Vassals, Zealots will pursue those policies without direction or supervision. For example, the United States was able to oust the Soviet Union and its puppet regime from Afghanistan simply by providing material support to the Mujaheddin, who were even more strongly opposed to Soviet rule than was the United States.

Zealots are particularly valuable where governors seek to implement policy changes. So long as the changes are consistent with their policy commitments, Zealots will fully employ their knowledge, skill, and energy as agents of change. They are often resourceful policy entrepreneurs, identifying creative ways to further their favored policies, and stifle opposition. When President Trump sought to roll back US environmental regulations, for example, he did not order incumbent officials of the Environmental Protection Agency (EPA) to do so; instead, he installed as EPA Administrator Scott Pruitt, a "leading advocate against the EPA's activist agenda" who had frequently sued the agency (Pollack 2020). Conversely, governors seeking to lock in preferred policies may "burrow" Zealots into positions where their tenure will continue into the terms of subsequent governors.

Zealots can help governors make credible policy commitments to third parties, including other governors, coalition partners, supporters, markets, or the targets of regulation. As is well-known, governors can increase credibility by granting control of the relevant policies to independent institutional "trustees," such as central banks or constitutional courts; but they gain even more credibility by staffing these institutions with relentless Zealots, such as conservative economists for central banks and rights advocates for constitutional courts (Rogoff 1985).

Zealots have a strong interest in policy expertise specific to their favored goals, and will invest heavily to develop it; these investments further reinforce their policy commitments. However, they will not develop broader competencies not directly relevant to their policy commitments. As a result, Zealots have a narrower scope of operation than either Opportunists or Vassals.

For governors, the principal problem with relying on Zealots is over-commitment. In contrast to Opportunists and Vassals, Zealots are inflexible. They cannot easily be steered to support different policies; while they may strike strategic compromises that advance their favored policies, Zealots otherwise resist balancing competing considerations or making policy tradeoffs. Once the Soviet puppet regime in Afghanistan was overthrown, for example, the Mujaheddin refused to stop fighting, even though their US patron urged them to do so.

Over-commitment may also make Zealots more ruthless than the governor wishes. For example, in 1948 the Polish communist regime authorized the Ministry of Public Security (*Bezpieka*) to repress mass opposition. Once empowered, however, *Bezpieka* leaders engaged in massive purges that extended to party members in the state bureaucracy and military, threatening regime stability (Thomson 2020).

Because Zealots value policy discretion, they resist any attempt to steer, oversee, or control them: Zealots see such measures as interfering with, or at least distracting from, pursuit of their favored policies. Zealots therefore pose political difficulties for governors that pursue diverse policies, operate in rapidly changing environments, and must contend with diverse interest groups.

When a governor adopts policies inconsistent with Zealots' favored policies, or does not pursue those policies with sufficient zeal, Zealots will either undercut the governor's policies or exit their intermediary positions. Zealots who exit often do so noisily, publicly criticizing the governor for its lack of understanding, commitment, or even morality. While Vassals may go down with the ship, Zealots will sink the ship if they think the governor is steering it toward the wrong shore. For example, when the NGO Global Witness left the Kimberley Process on conflict diamonds, which it had helped to create, it charged that the Process had "become an accomplice to

diamond laundering” (Global Witness 2011). Similarly, after serving as national security advisor, John Bolton (2020) wrote a scathing critique of President Trump as uninformed, impulsive, and self-serving in foreign policy.

3.4. Mandarins

Mandarins are loyal to the ethos, traditions, and protocols of their institution, not to the person of its leader or to any particular policies. They are devoted to the fundamental rules, roles, and practices of the institution, out of allegiance to its mission and culture.

Institutional loyalty produces important benefits for governors. Mandarins work hard to advance the institution’s mission, ensuring institutional continuity and stability. They eschew personal goals that detract from that mission, and are less susceptible than Opportunists to capture and corruption. In addition, Mandarins – like other loyalists – are less costly to employ: they will sacrifice material compensation for tenure with the institution and support for its mission. In exchange, however, a governor must be prepared to provide institutional support.

Mandarins are far less likely than Vassals to become yes-men; they will stand up to the governor if they sense that its policies or actions pose risks to the institution. Starting in the 19th century, for example, the “ethos of office” of senior British civil servants – widely referred to as “mandarins” – included “willingness to offer frank and fearless advice without regard to personal consequences.” This enabled the “mandarinate ... to fulfil a constitutional role as a sort of ‘gyroscope of state’ ... helping to provide ... the stability, continuity and institutional memory deemed necessary for responsible, efficient and effective government” (du Gay 2009, p. 265).

Mandarins will accept governor supervision and control that are part of the institutional script, but will object to controls that go beyond it. They can also be relied on to pursue the institution’s mission where supervision and control are difficult to apply, for example, where a governor orchestrates the activities of intermediary institutions on a voluntary basis (e.g. Blauburger & Rittberger 2015). Institutional loyalty offers flexible levers of control: the “carrots” of enhancing the institution’s role and the Mandarin’s tenure within it, and the “sticks” of threatening to marginalize them. Mandarins thus reduce control costs, while providing continuity and stability.

Unlike Zealots, Mandarins will accept policy changes, tradeoffs, and compromises so long as these are consistent with the institution’s fundamental norms and traditions; on the latter, they strongly resist change or compromise. Relying on Mandarins thus helps governors credibly signal to third parties that they will uphold institutional norms such as the rule of law, much as relying on Zealots increases the credibility of policy commitments. When Joseph Biden took office as US President, for example, to assure the public that the justice system would not be politicized, he urged his nominee for Attorney-General to act as a Mandarin: “Your loyalty is not to me. It is to the law, to the Constitution, to the people” (Washington Post 2021). Similarly, Mandarins can support the governor’s agreements – with opponents as well as allies – because all sides can rely on them to implement the agreements faithfully according to institutional rules.

Mandarins invest in expertise, skills, and other competencies that benefit their institution. Such institution-specific competencies include knowledge of the institution’s traditions and protocols, and skill in implementing its procedures. Institution-specific competencies are less widely marketable than those of Opportunists, binding the Mandarin ever more tightly to its current institution.³¹

From the governor’s perspective, the principal problem with Mandarins is their over-conservatism. Mandarins hew strongly to established institutional traditions, norms, procedures, and practices, even when a governor desires flexibility. While their cautious advice can be valuable, it is often steeped in institutional traditions and instinctively critical of policy innovation. Mandarins’ rule compliance can thus be an exasperating obstacle to governors seeking flexibility or fundamental change. Yet the same conservatism allows a governor to lock in its policies through subsequent administrations by instantiating them in institutional rules and practices, to be defended by Mandarins.

Mandarins strongly resist demands for behavior potentially damaging to the institution. In 1973, for example, US President Nixon ordered Attorney General Eliot Richardson to fire the special prosecutor investigating the Watergate scandal. In the “Saturday Night Massacre,” Richardson – followed by his deputy William Ruckelshaus – resigned rather than carry out the order, accelerating moves to impeach Nixon. Unlike Zealots, Mandarins

Table 2 Intermediary types and the governor

	Opportunist	Vassal	Zealot	Mandarin
Advantages	Flexible Versatile	Obedient Trustworthy	Entrepreneurial Agent of change	Caution Continuity
Disadvantages	Slacking, slippage Capture	Over-compliance Intrigue	Over-commitment Narrow, inflexible	Over-conservative Bureaucratic
Inducements	Personal gain	Proximity to governor	Policy autonomy	Institutional support
Mode of action	Responds to incentives	Proactive for governor's goals	Proactive for policy goals	Reactive to protect institution
Competencies	Marketable	Governor-specific	Policy-specific	Institution-specific
Key governance implication	Governance efficiency	Governor's personal rule	Single-minded pursuit of policy	Institutional stability

generally resign quietly (often guided by institutional norms), but their resignations are strong signals to the outside world that can be costly to the governor.

Because Mandarins are committed to a specific institution, their behaviors – positive and negative – vary with the nature of that institution and their role within it. For example, where the institutional ethos is independence, as in the Department of Justice and the courts, Mandarins resist political influence. James Comey, as Director of the Federal Bureau of Investigation, resisted pressure from President Trump to refrain from investigating Russian interference in the US presidential election (Comey 2018). Similarly, the Security Council in 2002 authorized the UN Monitoring, Verification and Inspection Commission (UNMOVIC) to search for weapons of mass destruction (WMD) in Iraq. The US pressured Hans Blix, UNMOVIC's director, to confirm that WMD existed. Instead, Blix maintained UNMOVIC's independence, adhered to established UN protocols, and insisted that it could find no WMD, depriving the US of Security Council authorization to invade Iraq (Thompson 2020).

Where the institutional ethos is faithful implementation of political appointees' directives, in contrast, as in the British civil service, Mandarins will obediently follow inconsistent directions from new governors; as one British undersecretary said when praised for implementing a new program, "I have to tell you of course that if the next Government tells me to undo it I shall undo it just as efficiently" (Ribbins & Sherrat 2015). Mandarins follow standard operating procedures closely, sometimes slavishly and legalistically; when they make decisions "that you do not like, they defend themselves by saying 'Sorry, those are the rules'" (Barnett & Finnemore 1999, p. 708). An organizational culture of routinization and "operating by the books" reinforces such behaviors (Id.: 718; Knill *et al.* 2019, p. 5).

Table 2 summarizes the key benefits and problems that the four intermediary types create for governors.

4. Intermediary loyalty and the public interest

The previous section considered how loyalist and opportunistic intermediaries further (or hamper) the *governor's* interests. In this section, we ask whether and how the four intermediary types further the *public* interest.³² The answer depends on whether the governor's interests are positively or negatively correlated with the public interest.

Where the interests of the governor and the public are aligned, each intermediary type, in its characteristic fashion, furthers the public interest by *enabling* the governor to regulate and govern effectively – even if its actions do not comport with standard notions of good governance.³³ For example, when Vassals – whose personal loyalty may appear damaging to the public interest – coordinate disparate governance processes or promote publicly responsive governance to shore up the governor's political support, they are also serving the public interest, even if only inadvertently. This explains why even liberal democracies allow leaders to select loyal political appointees for key staff positions. Conversely, although Mandarin rule-following is generally thought to protect good governance from political abuse, it may instead harm the public interest by impeding effective action. During the Rwanda crisis, for example, Mandarins in the UN Secretariat withdrew peacekeeping forces, facilitating

the ensuing genocide, because of their adherence to the established institutional culture of consent-based peace-keeping (Barnett & Finnemore 2004, chapter 5).

Where the interests of the governor and the public diverge, in contrast, governance intermediaries best serve the public interest by *constraining* the governor and channeling its actions toward the public interest. For regulatory policy and institutional design, these are the broadest and most significant implications of intermediary loyalty.

Here we consider two sets of constraints.³⁴ First, *public transparency* and *governor accountability* enable the public to constrain the governor directly and to demand actions that further its interests. Second, *checks and balances* and an intermediary's willingness to serve *successor governors* enable other governance actors to constrain the current governor indirectly, on behalf of the public. While other constraints are also relevant, these four enable us to observe how tensions between the governor's interests and the public interest play out in practice. We consider in turn how each type of intermediary promotes these principles.

4.1. Opportunists

Opportunist intermediaries enhance *governor accountability*. Because their actions are known to be controlled by the incentives and contractual mandates the governor establishes, Opportunists are direct “transmission belts” for the governor's decisions. They create a clear chain of accountability from the governor to the public: the governor cannot evade responsibility for failures of its policies or deflect blame for those failures onto Opportunist intermediaries. However, Opportunists have no independent motivation to promote *public transparency*; they will provide complete and truthful disclosures to the public only if incentivized or mandated to do so. Thus, Opportunists rarely act as “whistleblowers,” revealing improper acts of the governor, unless doing so promises significant rewards (or not doing so carries costs).

Likewise, Opportunists provide few if any *checks and balances* against the governor. They have no incentive to constrain excessive exercises of authority; indeed, they are likely to follow the governor's directions even where these harm the public interest, so long as doing so will keep their personal gains secure.

However, Opportunists willingly serve *successor governors*: so long as a successor provides sufficiently attractive incentives, Opportunists will pivot to serve the new governor, its policies and its institutional arrangements, ensuring the successor's ability to govern effectively. Their flexibility also facilitates smooth transitions of authority, and so is especially important in democracies, where turnover among elected officials is relatively frequent. Most importantly, the prospect that the public may choose a successor governor who can smoothly take power and govern effectively provides a powerful check on the behavior of the current governor.

Finally, Opportunists have even broader public interest implications: they tend to skew public policy in the direction of further opportunism. Because they themselves respond only to incentives, they are most comfortable with incentive-based policies and personnel arrangements, and tend to favor them even when they are not in the public interest. More importantly, the actions of Opportunists may trigger a general public understanding that governance is driven by private interests and incentives, leading to cynicism and distrust of governance institutions.

4.2. Vassals

Vassals may contribute to *governor accountability*: because they obediently follow the governor's wishes and are known to be beholden to the governor, their relationship creates a direct chain of accountability from the governor to the public, even more than Opportunists. Yet Vassals have no incentive to promote *public transparency* except where the governor directs them to do so or where they proactively see truthful disclosures as furthering the governor's interests. Thus, Vassals rarely become whistleblowers, unless, like Michael Cohen, they have turned decisively against the governor. Even worse, Vassals may actively undermine transparency and accountability – especially where they have participated in illicit activities on behalf of the governor – concealing or misleading the public as to the governor's decisions, actions, and responsibilities to shield it from public scrutiny and criticism.

Vassals' willingness to “go down with the ship” further erodes transparency. In general, “exit” from a governance relationship sends socially valuable signals of trouble (Hirschman 1970), but Vassals unwilling to abandon

their relationships with the governor cannot send such signals. One partial exception is the eagerness of Vassals to “leak” information that will undercut rivals. Here the intrigue among Vassals that harms governance effectiveness may actually benefit the public interest in transparency, but may instead undermine public trust in information provided by the governor’s entourage.

Vassals provide no *checks and balances* against the governor. Worse, they willingly help the governor to circumvent or violate whatever checks and balances exist, so as to buttress the governor’s personal authority and further its interests. As noted above, Vassals will also engage in shady or extra-legal behavior to support the governor’s rule. Kleinig (2014) points to the behavior of President Nixon’s staff during and after Watergate in suggesting that personal loyalty may “produce renunciation of moral judgement.”³⁵

Because Vassals are personally loyal to the incumbent governor, they will not transfer their loyalty to a *successor governor*, and any successor will not trust them. These effects limit the successor’s governance effectiveness, and thus the check on the current governor posed by the possibility that a successor will be selected. Even worse, Vassals may continue to advance the interests of the previous governor after a successor takes office, undercutting its effectiveness. For precisely this reason, outgoing governors often embed Vassals in carry-over positions, while successors replace inherited Vassals when possible, even if they possess valuable expertise.

More broadly, Vassals facilitate personal rule by the governor (or group rule by, e.g., the party). Vassals will do whatever it takes to keep their governor in power, including actively supporting authoritarian actions and even authoritarian rule. For this reason, governors – especially in faltering democracies such as Hungary and Poland, but even in the United States – have politicized personnel selection (Peters & Pierre 2004), installing Vassals to strengthen their rule and rein in any threat from a “deep state.” These actions transfer and even amplify political polarization from society to governance, producing deep and abrupt policy shifts with each change in partisan control.

Because they operate on the basis of fealty, moreover, Vassals may favor the expansion of fealty-based patronage systems, which rarely serve the public interest. Finally, Vassals’ practice of personal loyalty may further a general public belief that governance depends on personal connections, fueling venality and corruption.

4.3. Zealots

Zealots will openly protest actions by the governor that diverge from their favored policy goals. They will “speak (their) truth to the public,” whether still in office or exiting noisily, and will act as whistleblowers where the governor’s policy actions are improper. These measures further *public transparency*. As independent champions of policies, however, Zealots break the chain of *governor accountability*; unlike Opportunists and Vassals, Zealots’ policy independence makes them easy targets for blame-shifting by the governor.

Zealots also provide limited *checks and balances*: they will push back against the governor’s decisions, but only where these diverge from the Zealots’ favored policies. Similarly, Zealots will serve a *successor governor*, but only if it supports their policy priorities. Where it does not, Zealots will refuse to implement the successor’s policies – even if they have been ratified by democratic election – or will exit their positions. These limitations impede smooth governance transitions and successor effectiveness, undermining the threat of selecting a successor as a constraint on the current governor.

More broadly, absolutist attitudes toward policy goals sometimes lead Zealots to extreme measures, antidemocratic or even dictatorial in nature. During revolutions, for example, Zealots with “utopian” policy visions (Scott 1998, p. 89) may go so far as to kill people to advance policies they believe to be in the public interest, as both leaders and intermediaries did in the French, Bolshevik, and Communist Chinese revolutions. Robespierre famously argued that it is not sufficient for popular revolutionary governments to pursue virtue; they must combine it with terror, as virtue without terror is impotent (Robespierre 1794). Most Zealots, of course, have more limited policy visions and behave less lethally.

Because Zealots are policy-focused, they favor technocratic governance arrangements that assign policymaking to experts, insulating it from public influence and political controls. Finally, the actions of Zealots may further a broad public understanding that governance has been captured by technocrats and true believers, with

no respect for opposing views and no allowance for moderation, compromise, or temperance – much as in Communist states where policy is made by the party, not the government.

4.4. Mandarins

Mandarins, like Zealots, break the chain of direct *governor accountability* to the public. Their loyalty is to their institution, distinct from the current governor, and the governor may blame them for impeding its effectiveness. And Mandarins are less likely than Zealots to go public with complaints about the governor's actions, reducing *public transparency*. To protect the institution, they prefer to engage in voice, working from within to reverse the governor's actions and prevent their reoccurrence, or to pursue “internal immigration,” separating themselves from the improper conduct to continue working in their own sphere. Where threats to the institution are egregious, however, Mandarins will become whistleblowers or – like Attorney-General Richardson – resign from office, enlisting intervention by other branches of government, the press, and other societal actors to protect the institution.

Mandarins provide robust *checks and balances* against governors who threaten the principles, rules, and traditions of their institutions. Mandarins such as Blix and Comey will actively push back when governors try to evade institutional norms or bend institutional procedures to their own benefit. This intransigence is especially important where institutions are designed to act independently, as with prosecutorial institutions like the Department of Justice, investigative agencies like the FBI or UNMOVIC, and courts. Mandarins' institutional fidelity stabilizes the formal and informal constitutional “guard rails” that dampen the volatility of ordinary politics and restrain the exercise of political power. Indeed, most institutional checks and balances, such as separation of powers, require Mandarins willing to assert institutional prerogatives. Where legislators or other relevant actors are personally loyal to the governor or loyal to its policies, in contrast, institutional checks and balances will fail.

Mandarins willingly serve *successor governors*, even those with divergent policy goals, if their institutional mandates require it – but only to the extent the successors uphold institutional traditions, rules and protocols, and protect Mandarins' roles in those institutions. Thus, Mandarins provide especially valuable constraints where incumbent governors violate institutional principles to strengthen their personal rule.

More broadly, Mandarins can come to embody narrow institutional interests, creating bureaucratic pathologies (Barnett & Finnemore 2004) such as maximizing the institution's budget, being overly protective of its public reputation, or maintaining it beyond its usefulness. These actions may further a public understanding that governance consists of impenetrable rules concocted in Kafka's castle. Equally serious, fealty to an institution (including the state itself), and exaggerated concern over apparent threats to that institution, can lead Mandarins to view themselves as guardians of the institution at all costs; they begin to act as a “deep state,” insulated from public demands, political controls, and even democratic change (Watmough 2017).

Table 3 summarizes how the four intermediary types affect the public interest, in terms of the two sets of constraints and the broader public interest implications discussed above.

Table 3 Intermediary types and the public interest

	Opportunist	Vassal	Zealot	Mandarin
Governor accountability	Promotes accountability	Shields governor from accountability	Limits accountability	Limits accountability
Public transparency	Limits transparency	Undercuts transparency	Promotes transparency on policy	Limits transparency
Checks and balances	None	Undercuts checks and balances	Checks and balances on policy	Checks and balances on institution
Serving successor governors	If incentives sufficient	Undercuts successor	If adopts preferred policies	If required and institution is protected
Broader implications	Facilitates cynicism, distrust in governance	Facilitates authoritarian rule, polarization	Facilitates absolutist, extreme measures	Facilitates bureaucratic pathologies, Deep State

5. Conclusion: From intermediary type to institutional design

This paper broadens the study of indirect governance to address the diverse natures of intermediaries themselves. While variations in intermediary characteristics have occasionally been noted in the literature (e.g. Hawkins & Jacoby 2006; Gailmard & Patty 2007), the dominant tendency has been to view intermediaries as undifferentiated “opportunists”: faceless, self-interested actors. In fact, however, intermediaries often possess loyalties, and these vary widely – Opportunists to self, Vassals to governors, Zealots to policies, and Mandarins to institutions. Theorizing this variation allows us to understand intermediary agency more fully, as something not just to control but equally to harness. This opens fruitful lines of research.

The first step is to better understand the motivations of governance intermediaries: how do they exercise their autonomy? Earlier we noted that the four ideal types we identify can be used to unravel the complex motivations of individual and collective intermediaries. The next step is to analyze their behavioral logics in greater detail. How do actors become socialized to particular loyalties (or to opportunism)? How do they prepare themselves for governance positions consistent with their loyalties? How do they position themselves to be selected for such positions? How do they behave in particular roles?

Governors can best harness intermediary loyalties by selecting the appropriate types or combination of types for particular governance positions and tasks: to be effective, a governor must have the right “people” (including organizations) in the right positions. The selection of appropriate intermediaries can also ameliorate control problems – as governance practitioners know well. But how do governors screen and identify the “right” people? How do they determine in what positions to place them? Do current procedures allow them to make these determinations appropriately?

Governors must also take account of the specific motivations of intermediaries to manage them effectively. While loyal intermediaries are less prone than Opportunists to self-interested slacking, slippage, and capture – hitherto the central concerns of the indirect governance literature – they respond to very different “carrots” and “sticks.” Thus, although the incentives, monitoring, and hierarchical control mechanisms of PA theory remain important (Carpenter & Moss 2014; Maggetti *et al.* 2017), a governor must also deploy a wider range of inducements and deterrents – including personal proximity (Vassals), policy autonomy (Zealots), and institutional security (Mandarins) – to address the particular behavioral dispositions of its intermediaries.

How do governors manage intermediaries of different types? How do their management strategies contribute to policy success or failure? Institutional design is important here, as governors must be authorized and enabled to use appropriate management tools. Are current rules well-designed for this purpose? More generally, why do some governor-intermediary relationships fail even with seemingly coincident motivations, while others succeed in the face of non-coincident motivations?

Serving the public interest is the ultimate goal of governance, but not necessarily of the governor. The public – that is, the people as sovereign – can narrow this gap both directly, by controlling the governor, and indirectly, by shaping the governor’s choice of intermediaries. The institutions through which governance intermediaries are educated, developed, identified, selected, and managed are key to this.

Here institutional design becomes central. Even quotidian institutional arrangements such as selection rules, confirmation procedures, and civil service protections on hiring, promotion, and dismissal enable the public to promote the selection of intermediaries with the “right” loyalties for particular positions – loyalties that benefit the public interest – and to prevent the selection of those with the “wrong” loyalties. How do current rules and procedures serve this function, and how can they be improved? Making these determinations is not straightforward but requires nuanced analysis of the governance contributions and limitations of different intermediary types. One need not always understand the motivations of specific empirical actors, however; simply knowing the types of actors that may appear, and the types governors are prone to select for particular tasks, provides guidance in designing institutions suitable for diverse possibilities.

Finally, intermediaries of appropriate types can constrain a governor with divergent interests and steer its actions toward the public interest. Again, institutional design is crucial. Depending on the specific governance problems at hand, intermediaries are differentially effective at making the governor’s behavior transparent and accountable to the public; institutional arrangements that protect intermediaries from political interference, enable and protect whistle-blowers, and require disclosures can promote transparency and accountability.

For situations where the governor might deviate more severely from the public interest, appropriate intermediaries can provide checks and balances that keep the governor in line; but only if institutional arrangements provide them the leverage to do so. The ultimate check on a governor who fails to serve the public interest is to replace her; but for replacement to be a credible prospect, it is essential that intermediaries willing to serve the successor be installed in key positions, and that any successor be able to replace embedded intermediaries loyal to its predecessor. Considering intermediary loyalties is essential to getting these institutional arrangements right.

In all these settings, recognizing, harnessing, and controlling intermediary loyalty is central both to facilitating effective governance and to constraining excessive accumulations of authority and despotic or harmful actions. The difficult tasks are to mobilize the virtues of opportunistic and diversely loyal intermediaries in service to the public interest, while avoiding the corruption, fanaticism, and red tape that loyalty often brings in its wake.

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Data Availability Statement

Data sharing is not applicable to this article as no new data were created or analyzed in this study.

Endnotes

- ¹ Quoted in Caro (2002) at p. 129.
- ² As discussed further below, these literatures rarely specify intermediary motivations. Where they do, one can find limited consideration of other motivations, but the focus is primarily on opportunism.
- ³ Such a coincidence of motivations is akin to “goal alignment,” but we avoid using that term, as the actors’ motivations here are of different types. While we assume that governors have consequentialist goals, including policy goals, loyalist intermediaries are instead motivated by attachments to different objects of loyalty. The behavioral implications of coincidence (or lack of coincidence) in these disparate motivations go beyond those of “goal alignment,” as discussed in Sections 3–4.
- ⁴ The governor’s interests are often treated as identical to the public interest. We distinguish them here and separately analyze the impacts of loyalty on each in subsequent sections.
- ⁵ While we focus here on intermediaries enlisted by the governor, other governance actors – such as the beneficiaries and even the targets of policies – may also enlist intermediaries. We discuss in Section 5 how the public interest can be served by restricting or shaping the governor’s selection of intermediaries.
- ⁶ “Autonomy” describes “the range of potential independent action available” to an intermediary given the governor’s control regime; it can be exercised “to benefit or undermine” the governor (Hawkins *et al.* 2006, p. 8).
- ⁷ On PA, see for example, Pratt and Zeckhauser (1985), Miller (2005), Hawkins *et al.* (2006). On RI, see for example, Abbott *et al.* (2017), Kruck (2017), Maggetti *et al.* (2017), van der Heijden (2017). Some conceptual contributions to the indirect governance literature allow for non-opportunistic motivations, but most empirical work implicitly or explicitly assumes egoism, without problematizing intermediary motivation at all. The edited volumes of Hawkins *et al.* (2006), Abbott *et al.* (2015), Abbott *et al.* (2020), and Abbott *et al.* (2017) are examples: while the introductory chapters in these volumes suggest a relatively broad range of potential motivations, most empirical chapters implicitly assume self-seeking.
- ⁸ In principle, an actor’s “self-interest” can include altruistic concerns that influence its own well-being; Sen (1977) refers to such concerns as “sympathy.”
- ⁹ Quoted in Kleinig (2014).
- ¹⁰ Our approach can be described as abductive, combining induction from empirical examples with a deductive characterization of actor types.
- ¹¹ Again, we do not claim that our four ideal types are exhaustive of intermediary motivations, but that they capture important motivations highly relevant to regulation and governance. There may also be variations of theoretical and empirical interest within our four types: for example, between religious and policy Zealots, or between British Mandarins and Communist apparatchiks. In theoretical terms, our categories are logically independent and mutually exclusive; they cannot be

represented by a single underlying dimension. Empirically, however, particular intermediaries may possess two or more motivations, as discussed below.

- ¹² Historically, in medieval European society, a vassal pledged homage and fealty to a lord; the lord accepted duties to protect the vassal and provide him a fief or other position. Vassals were often born into their relationships, just as family members often act as vassals in modern politics.
- ¹³ Intermediaries may have personal loyalty to persons or groups other than the governor, such as a competing governor or the targets of regulation, although we focus here on Vassals of the current governor.
- ¹⁴ We take the term Zealot from Gailmard and Patty (2007), which takes it in turn from Downs (1967). However, their “policy-motivated bureaucrats” are less strongly motivated than our ideal type; they must be incentivized to develop policy-relevant expertise by offers of policy discretion. Historically, a zealot was a member of a Jewish sect noted for its uncompromising support of monotheism and opposition to Rome; at Masada, the zealots committed suicide rather than surrender.
- ¹⁵ Importantly, a Zealot might pursue policies, principles, or ideologies other than those adopted by its governor.
- ¹⁶ Historically, a mandarin was a scholar-official of the Chinese empire, selected by examination and often viewed as elitist and pedantic. European states adopted similar examination procedures for the civil service in the 19th century. The British still refer to senior civil servants as mandarins (du Gay 2009) and expect this sort of loyalty from them.
- ¹⁷ Some Opportunists may view self-interest through a logic of appropriateness; for example, Weber suggests that Calvinists saw worldly success as a sign of divine favor (Weber 1905 1958). But we doubt that such attitudes are characteristic of most Opportunists, and the standard literature does not treat them that way. In capitalist countries such as the United States, the cultural dominance of self-interest may be socially constructed as appropriate behavior, but individuals act consequentially within that cultural frame.
- ¹⁸ Gailmard and Patty (2007) argue that governors can induce Zealots to remain in government by granting them policy discretion, instead of the higher material compensation they could achieve elsewhere.
- ¹⁹ Self-interest is also stable, but is more chameleonic: Opportunists respond to varied incentives as these appear in the social environment.
- ²⁰ These processes may also further dedication to self-interest.
- ²¹ Such a group can also experience the emotional quality of loyalty. See Mercer (2014).
- ²² Where different parties or officials appoint commissioners, even personal loyalties may be divided.
- ²³ The tetrahedron reflects our assumption that the “sum” of all commitments, to self and others, is constant regardless of how it is distributed.
- ²⁴ We thank an anonymous reviewer for suggesting this example.
- ²⁵ However, this is true only where institutions, formal or informal, are sufficiently developed to support such measures, for example, to enforce contracts. Highly competent intermediaries will still present control problems for governors (Abbott *et al.* 2020).
- ²⁶ Vassals that retain substantial Opportunism may benefit indirectly from their connections with the governor by marketing them to third parties.
- ²⁷ Such groveling is ancient – Senators in the late Roman Empire ritually chanted sycophantic approval of the Emperor’s acts (Heather 2006, p. 124). It is also highly contemporary – President Trump’s first cabinet meeting was an “ego-stroking display of support for himself and his agenda,” with top officials outdoing one another in praising the President (Davis 2017).
- ²⁸ A governor can further strengthen a political coalition by bringing *others’* Vassals into its own retinue as a commitment device; the Vassals will reliably protect the others’ interests and convey information about the governor’s actions to them. Needless to say, this strategy poses other challenges for the governor.
- ²⁹ In the extreme, personal loyalty might cause the governor’s rule to collapse from incompetence (compare Egorov & Sonin 2011).
- ³⁰ The title of Cohen’s (2020) memoir of his years serving Trump is, appropriately, “Disloyal.”
- ³¹ One notable exception is that Mandarins’ institutional competencies make them valuable to those they regulate. A perpetual problem in the financial sector, for example, is that investment firms hire away the best Mandarins to show them how to play the regulatory system.
- ³² The “social collective construed as a ‘public’” (Bozeman 2007, p. 12) may include the targets and beneficiaries of regulation and governance, the constituents of the governor, and other individuals and social groups directly or indirectly affected by governance.

- ³³ By contrast, where the governor seeks to act in ways harmful to the public, it is preferable that intermediaries *not* enable effective governance: the inefficiency of Mussolini's despotism rendered it less damaging than the efficiency of Hitler's.
- ³⁴ Because the substantive values that define the public interest are highly contested, scholars have increasingly turned to a proceduralist understanding: observing due process principles like those we discuss here is most likely to prevent the governor from pursuing policies that undermine the public interest (Mattli & Woods 2009, pp. 13–15).
- ³⁵ As noted above, however, earlier complicity in misdeeds may leave intermediaries with no option but continued loyalty.

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