

Accountability to Citizens in the Westminster Model of Government: More Myth Than Reality

W.T. Stanbury

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Introduction

Governments in western industrialized countries engage a wide variety of activities and account for a substantial fraction of the Gross Domestic Product. In 2000, for the average family, taxes paid to all governments in Canada accounted for 47.5 percent of their gross income (Emes and Walker, 2001). Canada's largest government has a complex organizational structure. In February 1997, the federal government included 24 departments, 37 Crown corporations, 26 tribunals and quasi-judicial bodies, and 48 service organizations of all kinds. These 135-plus organizations employed 370,000 persons, including 170,000 in departments (Jauvin, 1997, p. 55). All of these people, indirectly at least, are said to be accountable to the citizens on whose behalf these government organizations have been established.

Indeed, the concept of accountability is essential to what we mean by democratic government. The need for accountability flows from the delegation of authority, the exercise of discretion and the possibility that such authority will be used in ways not anticipated or approved by those persons who delegated authority in order to achieve the benefits of division of labour. In a popular democracy,¹ citizens, collectively, are the ultimate principal; elected representatives are their agents. These agents are also principals who, through the legislature, delegate authority to a host of departments and agencies that make up the sprawling executive branch of government.

The basic premises of a political system focusing on accountability to citizens are the following: First, only individuals can confer on government (i.e., delegate to it) the authority to coerce them² in the name of the shared benefits which flow from peaceful cooperation that exploits the virtues of the division of labour.³ Second, the cornerstone of legitimacy is the will of the people—it is for *their* benefit that the whole elaborate system is designed (although this key element is often lost sight of).⁴ Third, the legal authority of the state flows from the moral authority of the *inherent* or natural right of the people to govern themselves. To do so, they delegate authority to their elected representatives (see Locke, 1689).

If citizens collectively are the ultimate principal in a complex accountability chain, we should ask how well the system serves those citizens. While I will make use of the principal-agent paradigm⁵ in considering this question, the problem of accountability in the case of government becomes vastly more complex than the usual principal-agent problem in the private sector, for several reasons. First, individuals must work through elected representatives and they, in turn, must delegate great authority to others to manage important parts of the government. The result is a hierarchy of principals and agents, and like any chain, it is only as strong as its weakest link. Second, in practical terms, the design of the Westminster model of representative government is based on

accountability of a collective body (the cabinet) to another collective body (the legislature) in the name of yet another collective body (citizens in their role as voters). The Westminster model is not designed to provide for the accountability of individual elected representatives to individual voters. Third, the information needed to fairly and fully evaluate the performance of agents or delegates is complex in nature and costly to acquire. Fourth, as we shall see, delegates have the capacity to shape the information provided to principals about their own performance. Fifth, the main means available to citizens to hold their elected representatives accountable (general elections) occur infrequently and are a remarkably crude mechanism for such an important task.

In this paper, I explore these and other reasons why the accountability of government to ordinary citizens through their elected representatives is highly problematic. Indeed, Barry Cooper (2002) argues that the Government of Canada “is not accountable.”⁶ The state has become much larger,⁷ wider in scope, and vastly more complex to manage so as to effect its many purposes. While the number of means by which we hold certain government officials and entities accountable have grown (see Priest and Stanbury, 1999), it appears that the design of the regime by which citizens can hold their elected representatives accountable is seriously deficient. Further, as we shall see, these deficiencies are imbedded in the very design of the Westminster model of government as it exists in Canada.

I must emphasize that this paper focuses on diagnosis (and then of only part of the problem), rather than prescription.⁸ To try to do both would make the paper far too long, or it would mean scanting one or both parts of the work. Besides, until we fully understand what is wrong with the key elements of Canada’s political system it is unlikely that the proposed remedies will be appropriate.

Power and accountability

It is the necessity to exercise power⁹ in the form of delegated authority in the context of a democracy that generates the need for accountability. Power is a conundrum. It is necessary to get things done and to do so efficiently.¹⁰ It is necessary to use coercion to ensure peace and order for the vast majority in the face of the disruptive behavior of the few. At the same time, power can be used improperly. The clear evidence is that power tends to corrupt all who possess it, and, as Lord Acton so famously put it, “absolute power tends to corrupt absolutely.”¹¹ The exercise of power without accountability is likely to lead to tyranny. Thus it is necessary to (a) justify the moral basis for the existence of power (might does not make right), (b) constrain the use of power, and (c) hold those who exercise power responsible for its exercise. “Accountability is what makes delegated authority legitimate; without accountability, there is nothing to prevent abuse” (Monks and Minow, 1991, p. 75). Even with good accountability

regimes, however, abuses can still occur, although they tend to be smaller and less frequent.

The correlative of power in the context of a democracy is the responsibility to exercise it effectively and honestly. The correlative of responsibility is *accountability*. This requires, at the least, the specification of performance standards and provision of information regarding the agent's performance to the principal, together with the opportunity for the principal to reward or sanction the agent to whom authority was delegated.

Claim to fame

Canada's system of government is based on the Westminster model, part of its heritage as a colony of Great Britain prior to Confederation in 1867. That model is also described as "cabinet" government or even more grandly as "responsible government."¹² Perhaps the chief "claim to fame" of the Westminster model of government is the doctrine of ministerial responsibility which "identifies who has final responsibility for decisions taken—the minister, and provides a forum in which he is publicly accountable—Parliament" (Lambert, 1979, p. 371). In the Westminster model, power is placed largely in the hands of ministers individually and collectively (the cabinet).¹³ The theory is that by doing so, and by making the cabinet responsible to the legislature, the people will, in turn, be able to hold accountable at election time the men and women who effectively "run the government" in between elections.

These elections are contests in which political parties field a team of candidates—one in each geographic constituency or electoral district. By design, voters tend to focus little on the merits of particular candidates; rather, they vote for the *party* that they wish to form the next government. The plurality, or first-past-the-post (FPTP) system, means that when there are three or more parties, one can obtain a majority of the seats in the legislature with a minority of the popular vote.¹⁴ Indeed, the party with the most seats may not obtain a plurality of the popular vote. (This occurred in 1979 when Joe Clark formed a minority Progressive Conservative Party government.) But this system's other claim to fame is stability, namely, that it produces governments able to govern for several years, at least as long as they command a majority of seats in the Commons.¹⁵

The theory of accountability said to be embodied in the Westminster model is quite attractive. The reality is far less so for a variety of reasons which I only touch upon here, but develop in detail below. First, identifying the person(s) who has (have) final responsibility for important decisions is a necessary, but not sufficient condition for ensuring accountability. The design of the Westminster model is based very largely on *collective* accountability i.e., of the cabinet as a whole to voters collectively. That means that the accountability of individuals may be blurred and very hard to achieve. Second,

opposition MPs are not well equipped to ensure that the minister responsible for a particular action is held accountable. To begin with, the opposition has too little solid information about the government's performance.¹⁶ Opposition MPs tend to focus on getting extensive coverage in the news media. For this purpose, a spurious allegation of misbehaviour or incompetence is almost as good as a substantive one. Also, the public embarrassment of one or more cabinet ministers is not accountability (no matter how enjoyable it may be to observers). Of course, the fate of every minister is in the hands of the prime minister, not the Legislature. At the same time, there is a tendency for other ministers to rally round the one under fire in the Commons because of the doctrine of collective responsibility (see Sutherland, 1991).

As we shall see, citizens have only very crude tools with which to hold the government of the day accountable.

Defining accountability and responsibility

Like any number of important concepts, accountability is not easy to define in an operational way. This point is illustrated by the following example from a royal commission that focused on the issue:

Accountability, like electricity, is difficult to define, but possess qualities that make its presence in a system immediately detectable... [It] relies on a system of connecting links—a two-way circuit involving a flow of information that is relevant and timely, not only for managers but for those who must scrutinize the decisions and deeds of managers.... In simple terms, accountability is that quality of a system that obliges the participants to pay attention to their respective assigned and accepted responsibilities, to understand that it does matter. (Royal Commission on Financial Management and Accountability, 1979, pp. 9, 10)

The same royal commission argued that, "Accountability is the working principle of our parliamentary system and a process whose effective functioning is essential to our democratic government" (Lambert, 1979, p. 369). Agreed. Elected representatives must be called to account for their exercise of delegated authority.¹⁷ Being "called to account" would appear to include explaining to citizens at least the following: (a) how and for what purposes resources were acquired (e.g., by taxation) and used, presumably, for their benefit; (b) what processes or means were used in exercising the delegated authority; and (c) what outcomes or at least results were achieved,¹⁸ and how these relate to the authority delegated to these representatives.

Persons who are authorized to act or who exercise authority are to be held “responsible” for their actions within the sphere of authority delegated to them. In the principal-agent relationship, authority is delegated, but not responsibility. The Commission of Inquiry (vol. 1, p. 22) put it this way:

One cannot delegate responsibility (and hence accountability) even if the authority to act has been delegated. Thus elected representatives are responsible for their use of authority delegated to them by citizens.... An individual who exercises powers while acting in the discharge of official functions is responsible for the proper exercise of the powers or duties assigned.... Responsible officials include supervisors and delegates or agents who act on behalf of a superior.... (Commission of Inquiry, vol. 1, p. 22)

This is all well and good, but of little practical relevance because, as we shall see, under the Westminster model, elected representatives, other than cabinet ministers, exercise almost no power over the policy of the government of the day.

The structure of the paper

The body of this paper is organized as follows: The next section outlines the key aspects of the Westminster model particularly as they relate to responsibility and accountability. The analytic heart of the paper follows, where I apply an accountability framework based on the principal-agent paradigm to the relationship of elected representatives to citizens in the Westminster model. The penultimate section examines the limitations of the principal-agent paradigm in understanding the relationship between citizens and their elected representatives. My conclusions, along with further discussion, are set out in the last section.

Key Aspects of the Westminster Model

Power of ministers

The Westminster model (which originated in Great Britain about three hundred years ago)¹⁹ concentrates power in the hands of cabinet ministers, and particularly the prime minister.²⁰ The central attribute of this model of government is the individual and collective responsibility of ministers to Parliament (and of Parliament to the people).²¹

Ministers act in the name of the Crown²² (in an earlier time, literally the King or Queen). In effect, the Crown continues to exercise most of its traditional powers, but on the advice of ministers who are said to be responsible to Parliament. Parliament, most notably the House of Commons, consists of the people's representatives who enact the legislation that establishes the fundamental principle of the rule of law. All government activities must be grounded in law, not merely the whims of the persons currently in power.

It must be emphasized that under the Westminster model most legislation is initiated by the Executive²³ (which is controlled by the cabinet which, in turn, is controlled by the prime minister), but passed by Parliament. Parliament engages in what is essentially a ratification exercise when the party in power has a majority of the seats. Further, ministers alone can create subordinate legislation through the Special Committee of Council, a cabinet committee (see Stanbury, 1992).²⁴

Ministerial responsibility is two fold: First, ministers are collectively responsible for all government action—"The very existence of the Cabinet is linked to this principle" (Jauvin, 1997, p. 48). The cabinet must resign when the government fails to maintain the confidence of the House of Commons. (So long as a government has a majority, this possibility is remote.) Second, individual ministers are constitutionally responsible for their own actions and those of their subordinates in the public service. (This has not been interpreted, however, as resigning each time a departmental official makes a mistake—see Sutherland, 1991.)

"Collective responsibility enables the House of Commons, and therefore the people of Canada, to hold the Cabinet accountable for its collective decisions" (Jauvin, 1997, p. 49).²⁵ Ministers are politically responsible to the House for the actions of their public servants and "legally responsible before courts of law for the actions they authorize" (Lambert, 1979, p. 371). This is the theory.

In practice, the accountability of ministers is quite limited. "Today, ministers are not necessarily held responsible for all the mistakes or failings of public service subordinates unless they clearly knew about and ignored them or ought to have known about them" (Lambert, 1979, p. 180). "Ministerial accountability has been re-defined to simple answerability" (Bourgault & Carroll, 1997, p. 99).

The role of prime minister (of a majority government) cannot be overemphasized in the way the Westminster model functions in practice in Canada (Thompson, 2002; Stanbury, 2002d). The PM determines the fate of ministers whose performance is found wanting. They may be forced to resign very quickly while the PM intones the virtues of political accountability. Or the PM may defend the minister in question, and wait out the opposition's demands that the minister must go.

Professor Donald Savoie (1999) has documented in great detail the evolution of cabinet government in Canada to what amounts to prime ministerial government in which the cabinet has become little more than a focus group for the PM (according to one of Mr. Chretien's ministers). In directly exercising more and more power over the past three decades, various PMs have not engaged in any illegal acts. They have interpreted the huge amount of discretion given to them under the Westminster model in a particular way. Where they once delegated a great deal of authority to individual ministers, they now make those decisions themselves—aided by a growing cadre of officials in the PMO and, also in the Privy Council Office (PCO) (which has more influence over the long run). Thus, federal governments are less collective entities based on the cabinet and more leader-centred cadres. This development means that leadership contests in the major parties take on a far greater importance—although their financial aspects are essentially exempt from regulation—unlike federal elections (see Stanbury, 2000, Stanbury 2002a).²⁶

While the cabinet often creates more legislation each year than does Parliament, such subordinate legislation (largely regulations) are only reviewed with a considerable lag by the Standing Joint Committee for the Scrutiny of Regulations. That Committee, however, has had the power since 1987 to recommend the disallowance of those regulations it finds to be illegal, e.g., *ultra vires*. Between 1987 and 2001 it made nine such reports, and in each case the government either rescinded the offending regulations or amended them (Stanbury, 2002c). A key problem in this accountability mechanism is the long delay (often several years) between enactment and start of the review process by the Committee, and between the start of the review and any report of recommending disallowance (see Stanbury, 2002c).

Parliament's Role/Responsibilities

“The responsibility for governing the country is vested not in Parliament, but in ministers of the Crown” (Lambert, 1979, p. 370). Parliament's job is said to involve continuous scrutiny of the actions of the Ministry which implement the measures to which it has given assent.

Parliament does not initiate or frame the measures put to it for approval (except in the case of private members' bills, and their fate depends on the will of the cabinet, although in June 2002 the PM promised changes that would permit such bills to come to a vote in the Commons).²⁷ It is the cabinet that puts forward new legislation through individual ministers. Strong party discipline means that a majority government can easily gain ratification for its agenda in Parliament.²⁸

Parliament's key tools for holding ministers and cabinet accountable are its power to review both *proposed* and actual expenditures (i.e., the Public Accounts Committee). More generally, its tools are scrutiny, surveillance, public exposure, and debate. Despite the various specialized agencies that (collectively) supply a range of "accountability mechanisms" (see Priest and Stanbury, 1999), much of the effort of opposition MPs to hold the government accountable in Parliament is done through the news media. Indeed, some research suggests that some reporters and columnists see their role as acting as an unofficial (and unelected) opposition rather than providing an objective account of events.²⁹ But does Parliament have the clout and the relevant information to hold ministers to account? In a word, no, and the Improved Reporting to Parliament Project (see President of the Treasury Board, 1997) had made little difference. Why? The main reason is that partisanship prevails over analysis and efforts to obtain substantive change,³⁰ and the whip is used to keep members in line when they threaten to stray from the party line.³¹ The potentially most powerful critics—government members—are subject to control by the people they are supposed to evaluate (cabinet ministers) and by their desire to join the cabinet and so exercise some power themselves.

Parliament is largely a "talking shop." The House of Commons is also a forum in which parties conduct a continuous campaign to form the next government (Lambert, 1979, p. 371). Indeed, the opposition parties' objective is not to hold the government accountable and improve its performance, it is to become the next Government (Stanbury, 1994, p. 87).³²

As noted above, the Westminster model concentrates power in the hands of the cabinet and PM. Where the party in power has a majority,³³ the cabinet fully controls both the Executive and the Legislature. Further, the effectiveness of opposition parties is hampered by a paucity of tax money for research and analysis of the government's behavior and by a high level of institutional secrecy (see below). Indeed, the opposition parties are also at a strategic disadvantage on the matter of the timing of general elections. That is purely at the discretion of the PM (subject to the constitutional limit of five years).

Role of electors in the Westminster model

Remarkably, descriptions of the Westminster model only rarely discuss the role of electors. Such neglect is a serious matter and it also suggests that the role of electors is not that important—except perhaps in providing legitimacy to the whole enterprise. I suggest that the following elements fairly characterize the role of electors in the Westminster model:

- a) Electors have an opportunity to vote for a geographically-based representative in single-member districts in periodic general elections (or by-elections).
- b) The vote is essentially a vote for the party one desires to form the government. The personal characteristics of the party's local representative are far less important than those of his or her party. Further, the parties focus on the purported characteristics of their leader in seeking voter's support.
- c) Only the voters in districts where the party leaders run have an opportunity to vote for or against a future prime minister. This is particularly ironic when one recognizes the enormous power concentrated in the hands of any PM (Thompson, 2002). Such concentration of power belies the idea that the Westminster model is based on inter-party competition where the party is seen as a team and the particular characteristics of its leader are not of overwhelming importance.
- d) Referenda, even for the largest policy issues, are virtually unknown—as is the opportunity to recall an MP, no matter how badly he or she performs.³⁴ Both types of votes are said to be inconsistent with the principles of representative democracy and of responsible government.
- e) Electors (indeed any resident) can write or petition their MP for the redress of grievances between elections. This may also be done through membership in an organized interest group. MPs, however, have almost no power to shape public policy, unless they are also cabinet ministers. But in recent years, many ministers have been taking their orders from the Prime Minister's Office, which is dominated by unelected advisors.
- f) General elections are seen largely as an opportunity to ratify or reject the actions of the government since the previous election. The government submits itself (its record) “to the will of the people” every few years in a general election.
- g) To turn thumbs down on the performance of the government, electors must reject that party's local representative no matter how effective that MP may have been in dealing with those “small matters” which are nevertheless important to constituents.
- h) Electors can expect their MP, whether government or opposition, to explain their party's position and to seek support for it. Electors can expect their MP to do little to represent their views to the party leader, unless they coincide with the party's position.

- i) Between general elections, the preferences of electors *may* be ascertained by means of scientific opinion polls. This tool dates from the 1940s, but extensive use of polls began in the 1960s. Its effect is to reduce the importance of MPs as persons who feel the pulse of their district and interpret the signals they receive to their party leadership.³⁵

Thus citizens (even collectively) have only a very crude tool with which to try to hold their MP accountable—their vote in general elections. It is a crude tool for several reasons. First, there is an enormous bundling problem—support for or opposition to a party can only be expressed on an all-or-nothing basis in casting a vote. Second, the effect of each person’s vote depends on the voting choices of many other citizens; electoral outcomes are the result of complex aggregation rules. Third, to punish the party in power, it is necessary to vote against its local representative, no matter how well he or she has performed within the constraints of the system. Fourth, only a few elected representatives—those who get into the cabinet—have any power. The rest are essentially pawns of their party’s leader, although opposition party MPs have somewhat more autonomy, but even less influence over a majority government.

Role of the public service

The Westminster model also gives a very great deal of power to public servants, particularly in central agencies, most notably the PMO, PCO, TBS (Treasury Board Secretariat), Finance. The theory is that public servants are accountable to Parliament through their minister (often called “our political master”).³⁶

The avowed characteristics of the Canadian public service (based on the Westminster model) include anonymity, non-partisan neutrality, a potential life time career, substantive policy expertise, the merit principle, and accountability and responsibility to the minister and through him to the government of the day (Bourgault and Carroll, 1997, p. 92). The official line is that the public service is responsible for implementing the decisions of cabinet in a neutral and professional manner. “It is the instrument used by elected officials to implement the democratically expressed will of the people” (Jauvin, 1997, p. 55). This traditional view ignores the often very important role senior officials have in designing and proposing the policies adopted by their ministers and the government. In general, it is rare for a party to do much in the way of developing policies prior to being elected³⁷ and once in power it is almost unheard of.³⁸ Thus, much policy originates within the public service where there is often considerable rivalry amongst departments seeking the support of the government for their ideas. There is no question, however, that a “strong” minister can direct senior officials to develop his or her policy ideas and have them brought before the key cabinet committees. And such ministers can force public servants to come up with alternative policies closer to their preferences. At

the same time, conspicuous policy failures identified with particular officials need not be fatal to their careers (see McCall and Clarkson, 1994).

Ingstrup (1995, p. 17) contends that “accountability is what makes public management *public*: accountability to ministers, to Parliament, and ultimately to the citizens is what makes public management altogether different from management and leadership in the private sector.” But what about the accountability of the CEO of a business to the board of directors and to the shareholders? (See Monks and Minow, 1991.) The turnover of CEOs suggests that boards of directors signal their displeasure with a corporation’s performance by removing the CEO³⁹ (see the penultimate section below).

Institutionalized secrecy

The Westminster model is also characterized by pervasive, institutionalized secrecy, particularly for the executive agencies that support the cabinet and prime minister.⁴⁰ Both officials and ministers very strongly resist any proposal to reduce secrecy, diffuse power, or constrain the power of the cabinet or prime minister. What has been called a “culture of secrecy” reduces the amount of useful information available to citizens to assess the performance of the government of the day. Such information is fundamental to achieving accountability. Democratic processes “presuppose a certain amount of actual knowledge on the part of the public rather than mere propaganda by government spin doctors” (Reid, 2001, p. 4). A culture of secrecy inevitably leads both to abuses and to their cover-up.⁴¹

“Government record keeping is the foundation of efficient, effective, and accountable government” (Reid, 2002, p. 1). The information held by a government provides, among other things, the measurement of the outcomes and effects of much government activity. If citizens are to “go behind the ‘managed message’” of the government, they must have access to much of the same information as was available to ministers and senior officials. The growing “electronification” of government, however, has done little to reduce “feelings of alienation from the public policy process, frustration over excessive secrecy, and concerns about honesty and integrity in government” (Reid, 2002, p. 5).

In his final report, federal Information Commissioner John Grace (1998, p. A5) argued that, “a culture of secrecy still flourishes in too many high places even after 15 years of life under the *Access to Information Act*.” Grace suggests that many senior public servants do not trust the public with the information created by their taxes, and this has important implications for accountability.

The insult is equal only to the intellectual arrogance of it all. The commitment, by word and deed, to the principle of accountability

through transparency has been too often faltering and weak-kneed. It should not be a surprise that some of those who wield power also recoil from the accountability which transparency brings. Over and over again, we learn the lesson, even in the most vibrant democracies, that a few public officials seek private advantage from their positions of trust. Almost without fail, selfish motives are masqueraded in garments of “public interest.” (Grace, 1998, p. A5)

His successor, John Reid, who was an MP from 1965 to 1984, indicates that he has found considerable evidence that senior public servants are “trying to avoid accountability by failing to create and keep appropriate records” (Reid, 2002, p. 2). Further, within days of passage of the *Access to Information Act* in 1983, “the Privy Council Office attempted to extinguish a substantive right [access to Discussion Papers going to cabinet] merely by changing the name of a record [calling them memoranda to Cabinet]” (Reid, 2001, p. 3). A judge of the Federal Court Trial Division agreed with him.⁴² More generally, the Commissioner notes that “right from the beginning of the Act... [passed just before Brian Mulroney assumed office] the government... decided to undermine [it]” (Reid, 2001, p. 3). Between 1983 and 2001, the federal government launched 25 court challenges to the work of the Information Commissioner of Canada, the ombudsman under the *Access to Information Act* (Reid, 2001, pp. 1-2). The effect is to stall investigations and tie up the commissioner’s staff.

What federal ministers appear to want is control over the content and timing of information provided to the public by government largely through the news media. They want to use information to best effect in retaining power. This is the polite way of referring to the extensive efforts to “spin” information in the news media. Uncontrolled information is seen as a potential weapon to be used by opposition parties and by others to criticize and embarrass the government.

This is perfectly natural. No one—despite any rhetoric to the contrary—wants to be held accountable because of the possible sanctions that follow inadequate performance. They bruise the ego and may harm one’s career. Accountability is, like competition, a concept endorsed by all but also avoided by all. My experience with public servants is that they will make great efforts to see that unvarnished criticisms of their conduct—no matter how well supported by facts and analysis—are hidden, watered down, or explained away. President Harry Truman may have made famous the phrase, “The Buck Stops Here,” but the older observation that “success has a thousand fathers while failure is an orphan” is a far better description of reality. Thus, accountability must be *forced* upon those to whom power has been delegated. They will not put in a place a regime that could result in paying even a modest price for failure.

I have concluded that institutionalized secrecy in Canada's governments has little to do with national security. It has little to do with ensuring that ministers can speak frankly to each other during the policy making process and on delicate personnel matters. Secrecy is used to contain critical analyses, to curb the diffusion of inconvenient facts, to cover up errors both large and small, and to disguise the crassest examples of the political calculus that informs so many of the decisions by ministers. In short, such secrecy is a conspiracy against the interests of citizens in whose name the system is supposed to function. Improvements in accountability to citizens begin with a major reduction in institutionalized secrecy.

Accountability to Citizens: Applying the Framework Based on the Principal-Agent Paradigm

With Margot Priest, I have developed a framework for assessing accountability regimes based on the principal-agent paradigm. It has proved useful when applied to regulatory agencies and adjudicative tribunals in Canada (see Priest and Stanbury, 1998a, 1999). It has also been useful when applied to investigative and law enforcement bodies, such as the Competition Bureau (see Priest and Stanbury, 1998b).

The accountability framework developed by Priest and Stanbury (1999) contains six main elements which are briefly summarized as follows:

1. The principal delegates authority to the agent to act on behalf of the principal.
2. The principal may well provide instructions to the agent as to how to carry out his/her duties.
3. The principal may (*ex ante*) specify criteria against which the performance of the agent will be assessed.
4. The principal obtains information about the agent's actions (performance) from the agent and/or from other sources.
5. The principal assesses the performance of the agent in light of the tasks delegated to the agent.
6. The principal rewards or sanctions the agent accordingly, and thus closes the "accountability loop."

In this section, I examine the accountability of elected representatives to citizens in the Westminster model using this framework.

Delegation of Authority

Under the Westminster model, citizens vote in geographically-based electoral districts for a single representative. Virtually all candidates represent a political party. To become a “registered party” under the *Canada Elections Act* and thus be eligible to issue receipts for the income tax credit for political contributions, and to receive the 22.5 percent subsidy for “election expenses,” a party must nominate 50 candidates (Stanbury, 2000).⁴³

Governments are based on the number of districts each party wins, whether by a large margin or small. The point is that the “meaning” of a general election, aside from the number of seats won by each party—hence determining which one forms the government and which ones will be in opposition—is hard to fathom (see Benn and Peters, 1965). The vote count says nothing about the *intensity* of voters’ preferences—it amounts to an ordinal ranking for each district. It is now common in Canada for the winning party to have a substantial majority of seats with only about 40 percent of the popular vote. It is also common in Canada for the leading parties’ votes (seats) to be concentrated in certain regions or provinces (e.g., Ontario accounted for 103 of the 173 seats won by the Liberal Party in the November 27, 2000 general election).

What has the voter delegated if he or she voted for a representative of an opposition party?⁴⁴ In retrospect, they dissented. What about the voters who supported the party that formed the government? By doing so, did they signal approval for every promise made by that party? Did they give the leader of that party a blank cheque in selecting cabinet ministers and, more importantly, dealing with issues not discussed during the campaign? In practice, the PM of a majority government usually sees an election victory as a blank cheque. In essence, citizens are relegated to the far margins of the political arena until shortly before the next general election.⁴⁵ Only then will they be courted, flattered, and manipulated with selective and biased information to get them to turn thumbs up or down on the record of the government (and blandishments of other parties).

Just what the voter delegates to his representative in the Westminster model is not nearly as clear as when a traditional principal delegates authority to his agent. The voter delegates authority to represent him—but what does this mean when the voter chose a candidate other than the one elected? Suppose he sought to put party A into power, but the representative of party B got elected in his district and party B is in opposition because party C obtained a majority of the seats. What has this voter delegated to whom?

The combined effect of each voter’s decision is to create a government, and it is common to say that “the people have given party C a mandate to govern the country” for (about)

four years. Party C, if it has a majority, can do pretty much what it wishes within the capacious confines of the Constitution. In practical terms, this means that the voters, collectively, have delegated to the leader of Party C authority to coerce all citizens in a wide variety of ways in the putative name of the common good (subject to certain constraints in the Constitution). Further, party C can use its majority in the Commons to over-ride much of the Constitution for a period of up to five years by using the notwithstanding clause in the 1982 Constitution.⁴⁶

Citizens' instructions to elected representatives

It is hard to understand what instructions voters have given to their elected representative. Each vote is said to be an all-important signal. But the *meaning* of a vote can only be understood after all individual votes have been aggregated according to the system's rules and procedures, e.g., the first-past-the-post rule.

Citizens eligible to vote (electors) in federal elections have had the opportunity to choose among a growing number of parties.⁴⁷ But electors can vote only for the local representative of a party (or an independent). They cannot vote for the prime minister directly⁴⁸ (as Americans can for the president). Nor is it the custom in the Westminster model to make use of referenda or plebiscites. They are said to conflict with the idea of "responsible government."⁴⁹ The same reason has been used to resist strongly any opportunity for a recall election at the federal level.⁵⁰

The selection of any candidate by a voter involves a serious "bundling" problem:⁵¹

- a) Each party (through its representative) offers a bundle of policy promises.⁵²
- b) Each of its local "franchisees" has to subscribe to the party's whole bundle.
- c) Yet voters cannot be assured that if they select party A and a sufficient number of other voters do the same, that party A's bundle of policy promises will be implemented. Where each representative is a "free agent," the linkage is far looser because each law requires a coalition.
- d) Many of the issues a government will address during its four-year term will not be discussed prior to or during the election campaign, and so are outside the "bundle" of policy promises at the time of the election.

The citizen does not directly provide instructions to their elected representative. It is the agent (i.e., candidate for MP) whose party puts forward a platform (or something of an ideology)⁵³ and a leader in competition with other potential agents. It must be emphasized that the core of the Westminster model is inter-party competition to form a government. The characteristics of individual representatives are not very important

(although they form the set of men and women from whom the PM selects the cabinet). Yet, to achieve accountability, the citizen needs to be able to delimit the authority held by his elected representatives not just initially, but periodically over time. There must be no blank cheques for representatives. But this is *not* possible in practice in Canada. There is no sanction available to voters if the party in power violates its promises.⁵⁴ For example, there is no provision for a recall election.

Even if the elected representative gains a large majority in his riding, and his party forms the government, the issues important to the voters in that constituency may not be addressed by the government. Even worse, the government may consider the voters of this constituency to be strong “infra-marginal positives” and so impose costs on that district in order to confer benefits on other, marginal districts. One of the awful ironies of marginal voter politics is that it is rational for the party in power to “screw its friends” as well as its enemies—all in the name of recruiting the support of voters deemed likely to “go either way,” i.e., marginal voters.

Perhaps the greatest frustration the average voter has with Canada’s present system of government stems from the near iron hand of party discipline exercised over MPs of the majority party.⁵⁵ Normally, they are bound to vote as the cabinet directs—regardless of the signals they receive from constituents. Further, within caucus, MPs are exhorted to do a better job of selling the government’s policies to citizens. Thus, the idea of representation has been reversed: government MPs are to represent the government to voters. Naturally, some MPs are unhappy with this situation, particularly those from districts that receive little from the pork barrel.

Signaling between elections

At the federal level in Canada, general elections have occurred approximately every 3.2 years between 1949 and 2000 (and their timing is at the discretion of the prime minister, subject to an upper bound of five years). This is a long time in a dynamic environment. The infrequency of elections makes the opportunity for citizens to signal between elections much more important. The objectives of these signals are to make the government more responsive to the will of the people. Of course this is a problematic concept for a number of reasons: a) many people do not signal their will between elections, but one goes too far inferring that they are indifferent about policy issues or process, b) the government receives conflicting signals (Peter wants the taxes on Paul to increase, and vice versa), c) the same people change their minds and expect government to change policies accordingly, and d) on many issues—even some rather important ones—almost no signals are received.

Between general elections, citizens can signal their preferences in the following ways: a) participate in organized interest groups that seek to influence public policy in many ways (see Stanbury, 1993); b) participate in a political party with a view to influencing its policies and choice of leader (see Gibson, 2002c; Marzolini, 2002); c) respond honestly to formal public opinion polls (most of which are commissioned by the government of the day) and to less formal means of assessing public opinion (e.g., focus groups, constituency meetings); and d) personal direct signaling, i.e., telephone calls, faxes, e-mails, meetings with elected representatives, public servants and regulators.⁵⁶

In considering using one or more of these means of signaling, the (rational) average citizen has to take into account a variety of factors: a) the cost (broadly defined) of engaging in the signaling process, b) the likelihood that the signal will produce the desired results, and c) the importance of the issue(s) to the citizen.

For most citizens, the (narrowly) rational strategy is to limit their signaling to elections.⁵⁷ Even for many of those who do engage in signaling between elections, it is hard to believe that the expected benefits outweigh the expected costs, although they may derive psychic benefits from simply participating in the democratic system.

Over the decades, the relative importance of public consumption to private consumption has increased greatly. Today, for the average household, taxes (which might be considered the “price” of public services) are by far the largest single category of consumption expenditure. Indeed, taxes account for about one-half total expenditures.⁵⁸ This suggests that *greater* efforts to signal one’s preferences for government services (including a smaller amount!) are justified. The ultimate form of signaling by citizens is for them to exit, i.e., leave the country to become a resident (and possibly a citizen) of another nation.⁵⁹ This requires the well-established person to incur large transactions costs.⁶⁰

From the average citizen’s perspective, the signaling system between elections appears to be better than the means he or she has with which to hold governments accountable on election day. But to the extent that signals between elections do cause the government to improve its performance in terms of better meeting the preferences of voters, we can say that accountability has been increased (even if a government is not as fully accountable as citizens would like it to be).

Soliciting instructions?

The senior administrators of the welfare state and their political masters are large consumers of public opinion polls. In theory, such polls can be used to better match government policy decisions and processes to the preferences of citizens. In 1997/98,

the Chrétien government in Ottawa spent some \$12 million on polls (see Feschuk, 1998), but that number probably understates the true total because so many departments and agencies commission polls, and the outlays are buried in other broader categories of expenditure. In a sense, such polls are a substitute for more direct involvement by citizens. Many would claim they are more “scientific” than the signals coming from interest groups because the preferences of the unorganized are also elicited by using a random sample of electors.

Establishing criteria for measuring the performance of the elected representative

Perhaps citizens could use campaign promises as criteria against which to assess the performance of the party in power. Certainly, the federal Liberal Party has suggested that voters do this. For example, it produced its *Red Book* for the 1993 election and a second volume prior to the 1997 election indicating how, and to what extent, the promises in the *Red Book* had been met.⁶¹ Sheila Copps, then Minister of Canadian Heritage, felt compelled to resign and re-run in a by-election in 1996 after promising in the 1993 election campaign that the Liberals would abolish the hated GST. After the election she revised her memory and waffled. Despite numerous editorials criticizing her handling of the issue, Ms. Copps was re-elected in her Hamilton district and was soon re-appointed to Mr. Chrétien’s cabinet.

There is often no *standard* against which the citizen can put performance data on various government activities so that it can become useful information. This is where benchmarking and careful assessments by knowledgeable independent persons is most valuable to citizens.⁶² When there are no easily available standards, subjectivity reigns and citizens are more easily influenced by government propaganda.

It must be recognized that under the Westminster model, the performance of individual MPs of the governing party (and who are not cabinet ministers) is almost irrelevant beyond “constituency service” matters. To put it crudely, the PM and his or her ministers want a fervently loyal cheering section eager to rubber-stamp their legislative and policy initiatives. Every backbench MP knows that political preferment (e.g., a cabinet post) requires strong, vocal support for the PM and all he or she stands for. The issue for citizens, therefore, is to assess the performance of the *government* and to consider the alternatives, namely, other parties with a reasonable prospect of winning the next election.

Measuring the performance of a government is a huge and complex task. Which criteria will be used? Given the great scope of government activities, scores or possibly hundreds of measures are needed. But that requires a huge amount of information that is costly to collect and much of it is not in the public domain (and hard to obtain using the *Access to*

Information Act). Then there is the problem of “adding up” the scores on the host of performance measures.⁶³ What weights are to be used—since each aspect of performance is hardly of equal importance? But the hardest issue of all is to compare the past performance of the party in power to (a) its expected future performance in a dynamic environment and (b) the expected performance of the next best alternative party.⁶⁴

There is some evidence to suggest that general elections are retrospective referenda on the performance of the economy.⁶⁵ The logic of this theory of voting is that each voter asks himself the following question: Am I and my family better off in economic terms than I was when the present government was elected? If the answer is yes, then the voter reasons that success in managing the economy in the past is likely to continue in the future if the party in power is re-elected. In his campaign for the presidency in 1980, Ronald Reagan and the Republican Party specifically challenged voters to ask themselves “Are you better off now than you were four years ago?” The Republicans believed—apparently correctly—that a majority would answer “no,” and hence vote against the party in power, i.e., vote for Mr. Reagan.

Obtaining information on the performance of elected representatives

Citizens have trouble getting relevant, authoritative, timely information on the performance of their elected representatives.⁶⁶ A perfect recent example of the suppression of information useful to facilitate individual accountability occurred when Parliament voted itself a pay raise on the last sitting day before it prorogued for the summer (Southam Newspapers, 1998; Coyne 1998). First, votes were *not* recorded on an individual basis. Second, MPs are given an opportunity to receive lump sum payments in lieu of pension rights when they leave the House. Thus, Reform or other MPs can tell the voters they are refusing to accept the “outrageously expensive” pension while opting on a confidential basis later to receive the equivalent in a lump sum payment upon exit. Surely, this is a new low for hypocrisy in Canadian politics.

Given the design of the Westminster model, which is based on collective responsibility and inter-party competition, the performance of individual MPs is of limited relevance—even when they are cabinet ministers. In contrast, in the US, where party discipline is weaker, it is quite common for certain interest groups to compile the voting record of representatives and Senators and to score each according to some criteria. Then the groups publicize the records or scores. The object is to hold the individuals accountable for their record on election day. It would be useless to compile such a record in Canada because strong party discipline overrides the preferences of MPs. (Party discipline has less force in the Senate, but even there the whips may be applied on key bills.) So the actions of the local MP don’t count for much of anything with two

exceptions (a) a backbencher can be helpful to individual constituents by “pushing” their concerns with ministers and the public service, and by doing various services for constituents that are “small” in the greater scheme of things, but important to the individual citizens, and (b) the MP is *also* a cabinet minister—this appears to increase the odds that the constituency will benefit from “pork barrel goodies,” obtained by the minister.⁶⁷

A key to accountability is to better measure what government does, i.e., performance measurement based on clear and, where possible, quantifiable objectives.⁶⁸ “Effective accountability demands that evaluation of all aspects of programs begin by Parliament requiring clear identification of tasks and goals [to be achieved] and end by a full accounting to Parliament for results achieved” (Lambert, 1979, p. 369). The Lambert Commission (1979, p. 193) recommended that all existing statutory programs be evaluated once in the next 10 years and every five years thereafter by the minister with respect to the current and projected costs and benefits of all these programs. A report would be tabled in Parliament and then referred to the appropriate standing committee. One might accuse the commission of dreaming in technicolor.

In practice, the following developments concerning the evaluation of federal government programs occurred:

- a) The Controller General gradually gave up responsibility for seeing that all major programs were evaluated,
- b) This responsibility was turned over to the deputy minister under the rubric of “letting the managers manage,”
- c) Most evaluations are done by employees of the department whose programs are evaluated,
- d) The Auditor General has repeatedly been critical of the evaluations in a number of ways: important programs are not being evaluated at all; the methodology employed is often weak; reports are hard to obtain, particularly by citizens; and the evaluations are aimed at fixing problems on an ongoing basis (see Stanbury, 1992).⁶⁹

The government of the day has a great capacity (using taxpayers’ dollars) to flood the political marketplace with “information” on its own performance. This is enhanced by its extensive control over information that may provide a less attractive picture about its own performance. It’s like having students fill in their own report cards and being able to use their teachers’ money to pay an advertising agency to trumpet their success.

Assessing the representative's performance

The Westminster model focuses accountability on the collective performance of the government, which means the performance of cabinet ministers individually and collectively.⁷⁰ Given the dominance of the Prime Minister, he should be the focus of accountability mechanisms in the hand of electors. To put it crudely, the performance of backbench MPs is essentially irrelevant to electors because such MPs have almost no power (see Kennedy, 2002).⁷¹

The conscientious voter faces a daunting task in evaluating the performance of the government as a whole: many variables must be considered, there are costs and difficulties of acquiring relevant information, one must weigh accurate and various criteria, and so on. But the voter faces an even greater task in considering the alternatives, in assessing the expected performance of each of two or three opposition parties if they form the next government. These alternative parties obviously have no track record and have seldom developed a detailed program or plan of action to be implemented should they come to power. Often their promises (proposed policy actions) are unrealistic and even irresponsible. They have not had the benefit of access to the expertise of the civil service, which the party in power has had. The dominance of the Liberal Party in federal politics means that few opposition MPs have had any experience in government.⁷² It is precisely the huge amount of uncertainty that makes serious calculation impossible or impracticable. Then when the voter considers the tiny likely affect of their individual vote, it is easy to see why many become very discouraged.

Ability of the citizen to sanction or reward the performance of the elected representative

Even if citizens get full and accurate reports from those to whom they have delegated authority, the accountability loop is not closed. They must also be able to sanction poor performance (or misbehaviour) and to reward superior performance in a reasonably subtle and discriminating manner. The Royal Commission on Financial Management and Accountability (1979, p. 69), states that it should be clear who should “reap the rewards of accomplishment or suffer the consequences of failure.”

It is not enough merely to be able to change what was wrongly done or even to reverse a bad result (often not possible). Those responsible (and this may be difficult to determine) must be sanctioned for several reasons. First, they must receive a sufficiently strong signal that they have erred and must not do so again. If this is not done what reason have they to do better in the future? Second, sanctions for poor performance and rewards for good performance send signals to others so that they may learn from the experience of others and act accordingly. The sanctions need not be extreme or punitive,

as many fear. The object is to change the behaviour of the errant agent and to deter others from like errors. It is possible that a quiet critique, following what the agent knows to be based on a careful review of the evidence (including factors beyond the agent's control), will have the desired effect.⁷³ Again, the object is to change behaviour, not to “break” the agent. (In some cases, however, the transgressions may be so great that the relationship must be severed and other sanctions imposed.) That is why signaling between elections may be useful in effecting changes in policies, but not in holding errant agents accountable.

The last step in the accountability process—where the citizen renders judgement on the elected representative's work on his or her behalf—is exceptionally crude. Elections are infrequent (and more about perceived characteristics of leaders than about issues). Even if the voter wants to treat the election as a referendum on the performance of the government and wants to condemn it, they must vote for the candidate of another party.⁷⁴ Of course, that party may not gain a majority and, even if it does so, it may not perform better than the previous one. Further, “throwing the rascals out” (even if it were that simple) may be either far too harsh a judgment on the performance of the previous government, or it may be far too lenient when one considers the huge amount of damage a government can do to citizens' liberties, property, and hopes.⁷⁵

The citizen's capacity for sanctioning or rewarding the poor performance of his elected representative is thus both limited and indirect. The maximum penalty that voters (collectively) can inflict on ministers⁷⁶ is to try to “unelect” them, but no voter can contribute to this result for more than one minister, and most voters (i.e., in about 265 of 301 constituencies) cannot vote against even one minister.

The frustration of individual citizens can become nearly intolerable when the government clearly “fouls up” but (a) denies any error, (b) refuses to provide a full account of the incident, (c) casts aspersions on the complaining citizen, (d) later admits error but refuses to identify who erred, refuses to apologize, but also *states* that changes have been made to ensure such an error never occurs again (see Stanbury, 2002f). This welter of cross currents either demoralizes the citizen (and family), turns them into zealous advocates of wider change, or persuades them that a better strategy is to join an interest group devoted to getting what the citizens wants. Indeed, one wonders why so many citizens continue to vote in the light of such experience. Is this a case of the triumph of hope over experience? Or is it recognition (like Churchill's observation about democracy in general) that—as bad as it is—there are no obviously better alternatives?

Limitations of the Principal-Agent Paradigm for Citizens and Elected Representatives

The application of the six-element accountability framework described in the preceding section has some limitations in assessing the accountability of elected representatives to citizens, particularly in the Westminster model. While the principal-agent paradigm is helpful, it cannot be applied in a mechanical fashion. In this section, I first examine some notable differences between the traditional principal-agent relationship in the private sector.⁷⁷ In the second part of this section, I compare the role of the citizen vis-à-vis her elected representative to that of the shareholder vis-à-vis the corporation in which she owns shares.

Citizen-elected representative relationship versus principal agent

The most significant differences occur in the first two elements of the traditional principal-agent paradigm: the principal both delegates authority to the agent and also indicates, or may indicate, how the agent is to carry out the tasks assigned.

In the political context, the relationship of the agent (i.e., elected representative) to the principal (i.e., citizen) is not a direct one, but mediated. The representative is a member of a party and—in Canada’s version of the Westminster model—party discipline is strict. Individual conscience is regularly sacrificed on the altar of party solidarity. This, of course, has some virtue in that where a policy has been enunciated a voter can be more certain that if the party gains power that it will adopt the policy. The exceptions are numerous, however (e.g., the Liberals and the GST).

The relationship of the citizen to the elected representative is also mediated by the fact that an MP “represents” many citizens.⁷⁸ In some interpretations, the MP represents *all* the people in her constituency, not merely all those who voted for her. The resulting situation of multiple and conflicting⁷⁹ principals adds vast complications to the simple dyad of principal and agent.⁸⁰

In a traditional principal-agent relationship, there is a single principal (or body corporate) who selects an agent, usually from among a small number of alternatives. In politics, there are multiple potential agents vying for the position of the elected representative of multiple voters within each of 301 geographic areas in a representative democracy like Canada. Each of the potential agents seeking to be elected represents a political party. (I ignore the odd independent.⁸¹) In practice, the effect of party discipline is to have the elected representative represent the party in power to his constituents rather than the other way around.

Parties offer a bundle of policy promises and other attributes to voters.⁸² This is the reverse of the traditional principal-agent situation in which the principal spells out what objectives the agent is to pursue, the discretion the agent is to have in pursuing them, and the criteria by which the agent's performance will be evaluated (see Priest and Stanbury, 1999). In the political context, even in the extreme case of being elected unanimously, the elected representative may have promised policy X, but then do the opposite if his party gains power. Yet the MP will not be liable to the principal beyond losing his vote in the next election.⁸³ (I ignore illegal behavior.)

The extent of the delegation of authority by citizens to their elected representative is enormous. It is bounded only by the constitution—but even the constitution can be changed if the conditions of the meta rules are met (e.g., super majorities). The key practical limitation on a majority party in power's actions is its ability to withstand persistent, harsh public criticism.

In many traditional principal-agent relationships, the agent has a fiduciary duty to the principal (avoidance of all conflicts of interest in pursuing the principal's interests) and must also not be negligent (exercise appropriate care and skill in looking after the principal's interests) (Monks and Minow, 1991). There is no counterpart in the relationship of elected representatives to voters.

In the political context, voters implicitly authorize elected representatives to make laws and regulations that will (legally) coerce *all* citizens. In a simple principal-agent relationship, the agent can bind the principal to a contract (within the ambit of the agent's authority), but cannot authorize actions that could result in the principal's loss of liberty in a legitimate fashion. Elected representatives through Parliament can do extraordinary things that affect the life, liberty, and property of citizens. In practice, aside from election day, it is the legislature that is sovereign, not the citizen. The legislature is effectively controlled by the cabinet, and the cabinet is effectively controlled by the PM in the Westminster model—so long as the party in power has a majority and does not violate the Constitution.⁸⁴

Citizens compared to corporate shareholders

How is the accountability problem *different* in the context of government in a democracy (i.e., citizen and elected representative) versus that of a shareholder in relation to a business corporation? (Generally, see Monks & Minow, 1991.) First, the ultimate principal's right to demand accountability from an elected representative⁸⁵ is based not on the ownership of property (i.e., voting shares), but on citizenship (universal suffrage is a constitutionally-protected right). Second, the individual citizen's interest is even more widely diffused than the shareholder's given the enormous scale and scope of

government activities and the size of the population. Third, all citizens do not want the same thing from their government. By comparison, we can safely assume all shareholders want only the greatest return on their investment, holding risk constant (and they want the corporation to obey the law).

Fourth, the opportunities for citizens to signal their approval or disapproval of the performance of elected representatives is far less frequent than for shareholders who are entitled to attend and vote for directors at the annual general meeting which is required by law. Citizens have the options of exit, voice, or loyalty according to Hirschman (1970). Obviously, the exit option involves high transaction costs.

Fifth, citizens face a complex, multi-level accountability chain while shareholders face a comparatively simple two-stage structure (shareholders vote on directors who select and oversee the performance of managers). On certain, major issues affecting the corporation, shareholders can vote directly, like a referendum. Moreover, dissenting minority shareholders have a right to be bought out by an acquirer at a “fair” price (Monks and Minow, 1991).

Sixth, shareholders have a key independent measure of the managers’ performance—the price of the shares on stock market, or return on capital where the shares are not traded.⁸⁶ There is no comparable measure for citizens. The complexity of the performance being evaluated in government is extraordinary—not just making the trains run on time (see Johnson, 1994).

Seventh, in the corporate context, the interests of shareholders predominate, although it is necessary and desirable for directors to also consider the interests of other “stakeholders” (employees, suppliers, local community).⁸⁷ By comparison, the legislature is a vehicle for giving expression to a varying number of constituent interests. Politics is designed to create broadly acceptable compromises among competing interests in an adaptive fashion through time.

One could go on to discuss other differences, but the point is made: while one can draw on various analogies in trying to understand the relationship between citizens and their elected representatives, none provides a close fit, but several help to provide insights into the complex relationship.

Conclusions

In practice, the Westminster model does a poor job of making the government of the day accountable to citizens, except at the most aggregative level of general elections. Even

then, it is difficult to interpret the results of general elections in terms of accountability, although some writers argue that general elections are largely opportunities for electors to ratify or reject what the party in power has done since the previous election. The Westminster model does not live up to its main claim to fame. It is weak on all of the elements of the accountability regime developed by Priest and Stanbury (1999).

At the federal level, however, the Westminster model of government does provide the cabinet with plenty of mechanisms with which to hold its various “agents” (public servants, regulatory agencies, adjudicative tribunals, and Crown corporations) accountable. This is apparently due primarily to the design of the model, which concentrates great power in the cabinet and prime minister (see Priest and Stanbury, 1999).

General elections and accountability

The general election is the main mechanism by which elected representatives are to be held accountable to citizens in the Westminster model of government. That model, particularly in Canada, concentrates authority (hence power) in the hands of the prime minister. In general elections, citizens as voters effectively delegate that authority to the party obtaining a majority of the seats in the Commons. Also, by their votes, it is argued that they are able to hold the party in power accountable for the exercise of that power since the last election.

For Benn and Peters (1965), general elections perform a number of functions:

- General elections are essential to democracy in that they require that “the governors should periodically satisfy a majority of electors⁸⁸ in order to remain in authority” (pp. 399-400). They permit voters to “pass judgment” on a government’s record (p. 400).
- They also create opportunities for electors “to decide what is to be done in the sense that they choose leaders whose initiatives they are prepared to accept...” (p. 405).
- Voters, “by choosing between political parties, settle the broad lines along which government will be conducted in the next few years” (p. 400).
- Electors provide some evidence of the “will of the people,” but that will cannot be determined independently of the system of voting employed. That will results from “going through a procedure which weights some wills against others” (p. 397).

Do general elections indicate “the will of the people”? According to Benn and Peters (1965, p. 408), “the electors’ will is limited to the single question decided at the polls: Who shall govern? Nothing can be inferred beyond that.” Nor can one logically infer that

when a party forms a majority government that a majority or even a plurality of voters voted for it because they supported its bundle of policy promises. “No one can say how many voted for the [winning] party despite any given item [in its platform] or even despite its entire [platform]” (Benn and Peters, 1965, p. 408). Further, participation in a decision making process, such as a general election, does not in itself amount to subscribing to the final result. So the idea of describing the result as an expression of the “general will” is grossly misleading (Benn and Peters, 1965, p. 285).

The problem is vastly complicated by the fact that about one-third of electors do not vote in Canadian federal general elections (the turnout in November 2000 was 61 percent⁸⁹). How do we interpret that fact? Do non-voters represent the triumph of narrowly-construed rationality, i.e., the expected benefits of voting are miniscule and are outweighed by the cost of voting (making up one’s mind and getting to a polling station)? Are non-voters those persons whose attachment to political system sub-marginal? It is simply not sufficiently important to them to “get out and vote.” Are non-voters to be interpreted as saying, “a plague on all your houses”—a simple and easy form of protest? Are non-voters simply saying that they are prepared to accept the decisions of their fellow citizens, i.e., those decisions are very likely to fall into their “zone of indifference”? It would appear to be wrong, however, to infer that non-voters do not much value their right to vote. Rather, voting to them is an option which may or may not be exercised depending upon the circumstances.⁹⁰ And the circumstances certainly depend upon the system.

Individual choices but collective decisions: the aggregation problem

The Westminster model is an odd system for signaling political preferences. While individual voters make choices, the results of these choices are determined collectively i.e., only by adding up the votes of all voters. The operative results flow from certain aggregation rules that are built into the rules and procedures of a of a general election. One Canadian political scientist has called Canada “a text book case” of how the “first-past-the-post system works poorly” (quoted in Duffy, 2002). (The most important one in Canada is the first-past-the-post rule applied to each electoral district. But this rule is not a necessary condition of the Westminster model as the practice in Australia⁹¹ and New Zealand shows.)

Each individual can cast a vote in a geographic constituency, but the decision as to who will be the MP is effectively a collective one in which each voter’s preference has equal weight. It is the candidate who obtains the largest number of votes—a plurality—who wins. The largest number is seldom a majority of votes cast because three or more parties often field a candidate.

The problem is repeated at the next level of aggregation: each constituency (or electoral district) elects an MP, but the formation of a government is effectively the collective decision (arithmetical artifact) of which party's representative is elected in each of the 301 constituencies. The party with the largest number of MPs forms the government. In the simplest case, it obtains a majority of the seats. The first-past-the-post system is designed to increase the odds of one party obtaining a majority of seats even if it has far less than a majority of the popular vote where there are three or more parties.⁹² The design makes a great virtue of stability, but sacrifices representativeness (see Loenen, 1997, 2001).

The problem continues. The two layers of collective decisions described above involve the choice of a collective body—a government. In operational terms, it consists of a subset of MPs chosen by one MP (the prime minister) to form the cabinet. Each member of the cabinet is jointly and individually responsible for the actions of all other members of the cabinet. But enormous power is concentrated in the hands of the PM. If his party has a majority, the PM is effectively an elected king for up to five years (albeit subject to the constraints of the constitution).

The aggregation problems identified so far would be of less concern if it was clear what voters were doing when they put Party X into power. As noted above, it is a great stretch to interpret the results of a general election as a referendum on each party's set of policy promises, or even on the entire set of policies. Alternatively, is a general election a sort of referendum on the perceived attributes of each party leader?⁹³ In voting on the basis of a party's leader, the citizen may be saying that even an elaborate set of policy promises is of far less import in a highly dynamic and uncertain world than the attributes of the leader of the party in power. He or she will necessarily have to deal with issues and events never even contemplated during the election campaign. This "leadership" interpretation of voting behavior is strengthened by the reality that in the Westminster model, extraordinary power is concentrated in the person of the PM.

The aggregation problem goes even further. The government of the day has, in theory, control over a huge, sprawling and complex organization. It is composed of hundreds of organizations engaged in an extraordinary variety of activities—from patrolling the coastline, to writing cheques for old folks, to regulating the nation's air traffic. Thus, the government presides over (and is said to be responsible for)—even if it did not itself create—thousands of policies. Therefore, it is entirely possible that many of these policies do *not* reflect the preferences of a majority of voters. But they are stuck with them—and not just until the next election. Why? Because changing the party in power may not result in any noticeable changes in many policies since the new government does not deem these policies sufficiently important to its gaining and retaining sufficient political support.

The bundling problem

Holding elected representatives accountable to citizens is complicated by the bundling problem. It arises in two main contexts: general elections and in the supply of policies and programs by governments. In general elections, electors in the Westminster model essentially choose the party they would like to form the government. But a party is a complex “bundle” of attributes including its leader, ideology, policy promises, and political history. The bundle is an all-or nothing choice; it cannot be disaggregated (except perhaps by becoming a party activist and trying to change its leader and/or its endorsement of particular policies).

The bundling problem on election day is greatly exacerbated by the dynamic environment in which the federal government operates, i.e., it is characterized by a great deal of uncertainty. In particular, it is quite likely that 6 or 12 months after an election the government will be faced with a number of issues not under discussion during the election campaign (see Crowley, 2002). In other words, no matter how big the bundle of a party’s policy promises during an election campaign, it is incomplete. Thus, voting necessarily contains a large (implicit) act of faith.

The bundling problem is endemic in any government’s outputs. In almost every case, the outputs of government programs are of the “one-size-fits-all” variety. And this is not just the case for true public goods.⁹⁴ Of course, income transfers have the virtue of being fungible—people can buy what they want with the dollars they receive. In some cases, the amount of the payments is adjusted (within a fairly limited range) to the particular characteristics of the individual. If preferences can be expressed on a single continuum, and are unimodal, the government can get closest to satisfying citizens’ preferences for a particular good by incorporating the attributes most preferred by the *median* citizen. While maximizing the satisfaction of only the few citizens who fall upon the median, the government effectively minimizes the dissatisfaction for everyone else.

Parties as teams

Under the Westminster model, parties are often described as teams competing for office.⁹⁵ But they are rather unusual teams in several ways: First, the actual composition of the *prospective* team (the party’s set of candidates) depends on the outcome of the nomination race in each of the 301 constituencies. Note, however, that at the federal level, the party leader must sign the nomination papers of the successful candidate, and it is becoming more common for the leader to appoint some candidates directly, although this usually causes controversy at the constituency level. Second, the composition of the *parliamentary* team (the party’s MPs) depends on the outcome of 301 separate campaigns, each at the local level. However, voters’ decisions are very strongly

shaped by their preference for parties and their leaders rather than the particular virtues of the candidates for whom they can actually vote. Third, the composition of the *operative* team (i.e., cabinet) of the winning party is solely the prerogative of the party leader, now the PM. But his choice set is almost entirely confined to the MPs of his own party. Even within that set, a variety of other constraints are present reflecting the complex needs of representation: gender, region, rural/urban, experience, and degree of support within the party. In practical terms, the cabinet is the real team—the one that exercises power over both the Executive and the Legislature. But imagine what it would be like to bet serious money on a football game if the bettors did not know the names and attributes of team members, but knew only the names of all those who had *tried out* for the team! This is the problem that electors face when voting for a political party as a team.

Once the operative team is selected, the extent to which it functions as a team in which ministers have considerable autonomy depends almost entirely on the PM.⁹⁶ If he wants to retain power in his own hands or those of the members of a small “inner cabinet,” he is free to do so.⁹⁷ The PM can command the necessary resources to create the staff he needs in the PMO and PCO⁹⁸ and he has complete discretion over the organizational structure of the cabinet’s paper flow and consultative procedures (see Savoie, 1999). He also has control over key policy decisions, including new legislation or subordinate legislation, if he wishes to exercise it.

The concept of the cabinet as a team tends to “gloss over” the bouts of intense rivalry within that body. These conflicts revolve around budgetary resources, access to the limited opportunities to create new legislation, and efforts to win the strong backing of the PM for various policy initiatives. Then there is the matter of succession—conflicts over who will become the next leader of the party.⁹⁹ These are most difficult when the PM has not signaled that he will be leaving.

MPs: Representatives without power

When he was PM, Pierre Trudeau characterized the backbench Liberal Party MPs as “trained donkeys” (McCall and Clarkson, 1994, p. 296).¹⁰⁰ The backbenchers’ greatest frustration was their inability to affect government policy. Yet they were better educated, had a greater understanding of the political process, and had higher expectations for government than their predecessors (p. 296). The bulk of their time was spent on acting as “unsung ombudsmen for their constituents...” (p. 296). On Commons committees, they were “forced—often reluctantly and with inadequate briefing—to defend cabinet proposals against partisan attack” (p. 297).¹⁰¹

Backbench MPs (those MPs of the majority party who are not in the cabinet) have few means to influence public policy, and all are effectively aimed at becoming a minister:

- a) committee work—seeing that the government’s legislative initiatives get made into law with the minimum of fuss,
- b) building a larger base of support within the party by helping to raise money, recruiting good candidates, supplying useful and accurate political intelligence, and coming to have influence with other MPs, and
- c) effective participation in the party caucus, which requires providing regular evidence of loyalty while articulating ways to improve the government’s performance.¹⁰²

Given the egos of ministers and the need for party solidarity, this is no easy task (see Laghi, 2002).

The announcement of Prime Minister Chretien on August 21, 2002, that he will resign effective February 2004 (see Clark, 2002), was brought about because the PM lost control of the extraparliamentary party organization and because it had become clear that a majority of his caucus no longer supported his leadership. Such events are very rare, however.

The reality is that MPs of all parties have modest resources with which to try to shape policy. Beyond having a good grasp of the preferences of voters in their own district,¹⁰³ they have little of the information necessary to craft policy. Opposition party MPs have more freedom, but even less power than do government backbenchers. Their freedom is to attack the government at will, and what they say in the Commons cannot be subject to a libel action. They can articulate the views of constituents and of interest groups as well as voicing their party’s position. In some cases, the Official Opposition creates a sort of “shadow government” in the form of assigned critics of particular ministries.

Opposition MPs can hurl endless invective at the government. They may even provide very well documented criticisms of its behavior. The harsh reality, however, is that there is almost no chance of defeating a majority government on a non-confidence motion. With the Whips on, the party in power can ensure that it will stay in power.¹⁰⁴

In trying to build up support for the next election, opposition parties depend heavily on the news media to reach electors. That channel is subject to its own set of incentives that generally favour the reporting of crises, disasters, personalities, and sex. Politics is treated largely as a game dominated by personality conflicts and scandal. Style is usually more important than substance, and all of this is said to be a reflection of the news media’s need to deliver eyeballs to advertisers who pay most of the freight. But that, too, is reality, and MPs must operate within it. If it is to replace the party in power, an opposition party must be effective in increasing its support among voters largely by communicating through the news media and television in particular. The media’s

limitations are well known.¹⁰⁵ They are business enterprises whose profits depend on delivering large audiences to advertisers.

Summary: The realpolitik of accountability to citizens

The realpolitik of accountability to citizens under the Westminster model as it operates in Canada at the federal level can be summarized as follows:

- a) In general elections voters effectively delegate to the leader of one party (most often the Liberal Party, see Simpson, 2001) enormous authority that is nearly unconstrained until the next election if that party has a majority of seats in the Commons.
- b) Opposition parties are effectively limited to rhetorical attacks and cannot vote the government out so long as the latter has a majority of the seats, no matter what it does (even if it violates the Constitution).
- c) Between elections, voters are “consulted” by means of scientific opinion polls, most of which are commissioned by the government and paid for with taxpayers’ money. Often such polls are used to gain information to facilitate “selling” the policies already chosen by the government to the voters.
- d) A wide variety of interest groups are active in signaling the preferences of their members between elections, but some important interests do not get organized and, of course, some interests are more effective than others in influencing public policy (Stanbury, 1993). Many large corporations employ professional lobbyists to help influence government. The number of such lobbyists has grown faster than government in the last three decades. (Some 1,500 lobbyists are now registered in Ottawa, but that figure understates the number who, in fact, lobby government.)
- e) Within the federal government, individuals and organizations are subject to varying accountability regimes which are, in most cases, likely to be more effective than that under which citizens are to hold their elected representatives accountable (see Priest and Stanbury, 1999). The most arrogant ministers, when challenged to explain or justify his or her actions, often fall back on the following argument: the voters will be able to pass judgment on my performance and that of the government at the next election. This argument tends to be used far less frequently as the date of the next general election approaches.
- f) The doctrine of collective responsibility is frequently used to shield individual ministers from being held accountable. In any event, ministers are not accountable

to Parliament, as the theory claims, but to the PM (Stanbury, 2002d). So long as it has a majority, the government (and the PM) is not accountable to the Commons because it can't be defeated on a non-confidence motion so long as strict party discipline is imposed by the PM, and accepted by the MPs.¹⁰⁶

- g) No matter how many times it is held by the courts to have violated the Constitution, the government of the day is not forced to seek a new mandate from the people. Indeed, the notwithstanding clause in the Constitution permits the government to override a ruling by the Supreme Court of Canada that a piece of legislation is unconstitutional if it can muster the votes in Parliament. However, such legislation is in force for five years. To stay in force it must be re-enacted.
- h) In the Westminster model, the key mechanism by which elected representatives (and parties) are to be held accountable to citizens is the next general election. But its date is up to the PM within the constitutional limit of five years.
- i) Periodic general elections are a remarkably poor mechanism for making elected representatives accountable to citizens. While citizens vote to elect an MP, it is merely the first of several steps (effectively aggregation rules) in which voters collectively choose the governing party and its leader chooses the three dozen men and women (the cabinet) who will control both the Executive and the Legislature for the next few years.
- j) Electors vary greatly in their level of knowledge¹⁰⁷ or even interest in public policy. Only 61 percent of electors voted in the November 2000 general election in Canada (versus about 50 percent in the US). They are also busy solving the daily problems of making a living, maintaining a marriage, and raising children. While the scope of government activities is wide and deep, public policy issues are very seldom seen as important as job, family, and even recreation. These priorities may well stem from a recognition that for all but a tiny percentage of citizens, their individual political affect is miniscule.¹⁰⁸ Public choice analysts point out that even voting is not rational because its expected direct benefits are less than its expected direct costs to the individual voter. Of course, this calculation does not take into account any feelings of civic responsibility.

Two recent polls provide new and, in one case, surprising evidence about Canadians' attitudes toward politics. A national poll by Leger Marketing conducted in early April 2002 found that 69 percent of respondents believe the federal political system is "corrupt" or "somewhat corrupt." Only 26 percent said it was "not very corrupt" or "not at all" corrupt. The comparable figures for the provincial level were 68 percent and 26 percent respectively. Some 53 percent of respondents described municipal political systems as "highly" or "somewhat" corrupt (Canadian Press, 2002a). Further, 80

percent wanted to see a major reform in the methods of awarding of government contracts. And 24 percent of respondents said that they believe that the political system was either “not very democratic,” or “not democratic at all” (Canadian Press, 2002a).

The more surprising data, in light of the decades of accepted wisdom that Canadians have greater trust in their governments than do Americans, were those generated by a national poll of about 1,000 Canadians and Americans in May 2002. These polls found that while 51 percent of Canadians said that they have little, if any, trust in the federal government, for Americans the comparable figure was 30 percent. While 65 percent of Americans said they have a great deal of trust in their state governments, only 51 percent of Canadians had a great deal of trust in their provincial governments (Lawlor, 2002). Andrew Parkin, assistant director of the Centre for Research and Information on Canada, co-sponsor of the two polls, said that Canadians’ lack of trust in government started in the early 1990s at the end of the two-term Mulroney government, and has continued since then. This helps to explain the decline in voter turnout over the last handful of federal general elections, he said.

- k) The party in power has a variety of advantages over its rival prior to, and even during, a general election. These advantages are fully exploited by every party in power.
- l) From the perspective of many citizens, the sanction of “voting the bastards out” must seem puny indeed. Most defeated MPs will receive an indexed pension (so long as they were elected twice), and all receive transitional assistance out of the public purse. Defeated cabinet ministers do lose a large set of perks, e.g., limousine and driver, a host of assistants, the status of being a Minister of the Crown, and a varying degree of real power over public policy. But this is the harshest punishment defeated MPs of the previous party in power will face. Some of the former ministers—even manifestly poor ones—may even receive a patronage appointment from the new party in power. No matter how badly the previous government performed (just consider the rising, and then overwhelming deficits under both the Trudeau and Mulroney governments), no real punishment will be inflicted on those responsible.¹⁰⁹ Worse, some of the MPs hardest hit by the election results may have had almost nothing to do with the debacles created by those MPs who were ministers. Even ministers shuffled out of the cabinet for poor performance often obtain the equivalent of “golden handshakes.”¹¹⁰ Recall the adage that, “in Ottawa, when heads roll, they roll uphill.”
- m) The significance of this very weak system of accountability of elected representatives is magnified because of the wide scope and huge scale of government in the economy and in our daily lives. The lack of accountability is the best case to stringently limit the scope and scale of government. Also, as Gordon

Gibson (2001b) notes, “the political market is much less efficient than the free market, in terms of giving citizens something close to their preferred resource allocation and the ‘biggest bang for the buck.’” One reason is that “the political market is not accountable except in the grossest sense at election time.”

In summary, the Westminster model’s main claim to fame, that it holds the governors (i.e., ministers) accountable to the governed (i.e., citizens) is largely a myth, and potentially a dangerous one at that. As emphasized above, the Westminster model concentrates power in the hands of the prime minister in the name giving the government of the day all the authority it needs to govern expeditiously and well. The grand political bargain is that those to whom this authority is delegated by ordinary citizens are to be held accountable for its use. This study shows that the key mechanism for holding elected representatives accountable to citizens (the general election) is grossly deficient: It is infrequent, crude, indirect, lacks the means to inflict serious punishment no matter how bad the performance, and it usually prevents voters from targeting those largely responsible for both superior and bad performance.

Persistence of failure and the difficulty in making reforms

Five hundred years ago, Niccolo Machiavelli wisely observed that, “There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in success, than to take the lead in the introduction of a new order of things.” Of course, efforts to implement changes in Canada’s version of the Westminster model of government with the objective of increasing accountability to citizens hardly poses a risk to one’s life. The point, however, is that it will be difficult to make the necessary changes. If it were not, at least some would have been made by now, since many of the problems described above have been understood for decades. Reform is very difficult because of the structure of incentives facing the key actors in this situation.

The natural opponents of the present state of affairs and its victims, namely citizens, are subject to the “logic of collective inaction” (see Stanbury, 2002b). This means that for each citizen individually, the expected benefits of efforts to change the system are a tiny fraction of the costs. Further, most citizens, it appears, don’t really appreciate how badly Canada’s version of the Westminster model serves them.¹¹¹ The problems and the various proposed solutions seem abstract—far removed from immediate and tangible concerns.¹¹²

The key beneficiaries of the present system (the PM and cabinet ministers) receive huge psychic benefits (power is a great aphrodisiac, as Henry Kissinger noted) and they control access to both the means of reform (new legislation) and the ability to implement them.

The PM and his cabinet ministers are not the only ones who have a lot to lose if accountability to citizens is improved. The vast public service and the many specialized agencies of Canada's government would come under more searching scrutiny. Some reputations will be darkened by evidence of poor performance. Some heads will roll—downhill! It is a fact that rigorous and effective accountability regimes are far more attractive in theory than in practice. The rot of moral relativism means that the ideas of a) objective, morally defensible standards, b) negative assessments of performance, and c) adverse consequences (dare I say punishment) of those whose performance is judged seriously deficient are not widely accepted today. It is not simply that the “targets” strongly dislike having their performance evaluated and being called to account. That is obvious to everyone. The greater problem is finding people willing to *implement* proper accountability regimes. This work requires analysis, weighing evidence, and making judgments backed up by careful reasoning. Few people have the necessary *confidence* in their judgement as well as the skills. Of course, the accountability regime involved in general elections may well not involve a careful assessment, but only a “gut feel” based on limited and biased evidence. It appears that people have trouble relating the scandals, excesses, and more formal evidence of poor performance of Canadian governments to the deep flaws in the design of the basic structure of the Westminster model as practiced in Canada. It may be that the accumulating evidence of the exercise of raw power for largely personal reasons by Jean Chrétien and his only thinly-veiled contempt for both Parliament and voters, even during general elections, may cause more citizens to ask why it is that “the system” gives the PM such power (Stanbury, 2002d). The growing contempt for politics (see Canadian Press, 2002a) may lead citizens to demand more than cosmetic changes. Or it may result in even more people “tuning out”—even failing to vote (see Simpson, 2002a; Ward, 2002; O'Neill, 2002).

Those who propose serious changes in Canada's version of the Westminster model are often met with the charge that they want Canada to adopt American political institutions. Unwavering (and uncritical) support for the status quo version of Canada's political institutions is greatest among nationalists. Their apparently fragile sense of identity requires that Canadian policies and institutions always be different from American ones. To propose to adopt certain aspects of the US model is to be condemned at the outset by such nationalists.

Most importantly, serious changes in the design of Canada's political institutions appear to require major changes in the “wiring” inside the heads of Canadians. It requires that we cast off long-held ideas and assumptions. The most important, and the hardest to change, is the idea that citizens are “subjects” of the King or Queen (or more generally, the Crown).¹¹³ Canada is effectively a constitutional monarchy because the Queen's representative is head of state. Prosecutions are still brought in the name of the Queen. Thus, there is still in official language the idea that the people are subordinate to the Crown. All our laws require “Royal Assent.”¹¹⁴

The old rhetoric and symbols in Canada, as remnants of the divine right of kings transliterated into the concept of a constitutional monarchy, are utterly inconsistent with the crucial idea that citizens are the ultimate authority in a democracy. Government is to be the servant of the people, not its master—despite the fact that citizens delegate to government the authority to coerce them in the name of the common good. How can the fundamental source of legitimate political power rest in the people if the people are effectively “subjects” of a foreign monarch? Thus, the symbol of the once-strong connection with Britain is today a mental shackle. How will Canadians ever be able to call their elected representatives to account when the language of fundamental institutions strongly suggest that they are subjects, not autonomous citizens who alone possess the moral legitimacy to create a government and to hold it accountable?

Reform depends upon at least a majority of Canadians coming to believe that *they* are at the apex of the hierarchy and their elected representatives are their agents whose legitimacy of authority comes from citizens.¹¹⁵ When citizens deeply believe this idea, they will insist on having accountability regimes that properly serve them.

Notes

¹The framers of the US Constitution strongly believed that they were creating a democracy. At that time, however, only about one-quarter of all male citizens were eligible to vote (and the many slaves were not considered citizens). See Beard & Beard, 1933, Ch. 6. Note that in Britain, even after the *Reform Act* of 1832, only about 20 percent of males (no women) were eligible to vote. It was WWI that resulted in women in Britain and Canada getting the vote.

²The types of coercion include taxation, conscription for military service, imprisonment for violating certain laws, and fines imposed to obtain obedience to a huge array of laws and regulations (subordinate legislation).

³Von Mises (1966, p. 142) emphasizes that “society is division of labour and combination of labour.” It is “nothing but the combination of individuals for cooperative effort.” The key feature of society is “purposeful cooperation” to achieve the mutual benefits of division of labor (p. 145). Further, “society and state are... the primary means for all people to attain the ends they aim at of their own accord” (p. 148). He goes on to note that, “state or government is the social apparatus of compulsion and coercion...” It is “an institution for the preservation of peaceful inter-human relations” (p. 149). Von Mises goes on to argue that democracy “provides a method for the peaceful adjustment of government to the will of the majority” (p. 150). State and government, for von Mises (1966, p. 720) “are not ends, but [the] means... to safeguard the smooth operation of a

definite system of organization.” That system has two bases in his view: private property and moral principles restructuring the use of private property—what he calls the “market society” (pp. 724, 728). Friedrich (1950, pp. 17-18) points out that the idea of sovereignty of the people (i.e., the majority) acting through Parliament is in contradistinction to the idea of constitutional government “with its protection for the individual against arbitrary action of the majority in parliament or out.” Constitutionalism, he says, “provides for a divided exercise of power.” By definition, “a constitutional democracy is one which does not grant *all* power to the majority.” Canada, then, is a constitutional democracy, and not just because of the Charter of Rights and Freedoms. Recall also that universal suffrage did not exist in Canada until women got the vote in federal elections in 1918.

⁴In his famous come-from-far-behind election campaign in 1948, President Harry S. Truman clearly and simply articulated this idea when he said to an audience in San Antonio, Texas: “Our government is made up of the people. You are the government. I am only your hired servant. I am the Chief Executive Officer of the greatest nation in the world.... But I am the servant of the people of the United States. They are not my servants....” (McCullough, 1992, p. 676).

⁵See, for example, Stiglitz (1987) and Fama (1980).

⁶Cooper (2002) states that “Applying an accountability model to an organization that is not accountable, namely the [Government of Canada], is itself *prima facie* evidence of the difficulty of changing it to something closer to the proper model of democracy. As you point out, Canada is a monarchy in its constitutional form, and with the changes to the PMO [prime minister’s office] (Savoie, 1999) has become something like an elected absolute monarchy, in fact. Changes to the regime, formal as well as substantive constitutional changes, will have to deal with *both* of these aspects of our problem in gaining or keeping decent governance. We know how difficult it has become to make constitutional changes or changes in the form of government in Canada—Meech Lake etc.—and there is next to no possibility that the current PM or his likely successors will ever dismantle the system that has the splendid result of getting them into the driver’s seat. I think we can expect no PM ever to change the structure of the PMO or the importance of party discipline. All of which underlines the difficulty of making an orderly change.”

⁷Note that the size of a government is most imperfectly measured by way of the ratio of its expenditures to GDP. Much government activity consists of regulation, the private sector costs of which are many times the amount of government outlays to administer regulatory activities. See Stanbury, 1992; Jones and Graf, 2001; Jones, 2002.

⁸See, for example, Simpson, 2001; Loenen, 1997; Gibson, 2001a, 2001b, 2001c, 2002a, 2002b, 2002c; Stanbury, 2002a; Stanbury, Howard & Moore, 2002; and Canadian Alliance, 2002.

⁹In a democracy, government has a monopoly on the legitimate use of coercion—in the name of preserving order in the face of disruptive individuals or groups who threaten the peaceful cooperation that generates the benefits of division of labor (see von Mises, 1996).

¹⁰Efficiency also requires specialization and the division of labour. Thus, authority must be delegated by principals to agents. Further, as noted above, the process involves a hierarchy of principals and agents in which all but the top and bottom entities are *both* principals and agents.

¹¹Generally, see Acton (1972). But note that his statement was originally made in the mid-nineteenth century.

¹²Nova Scotia was the first colony in what became Canada to achieve responsible government in 1846.

¹³This is the standard rhetoric. In practice, far more power is concentrated in the hands of the prime minister than in the cabinet (Stanbury, 2002d). Ministers are appointed at the sole discretion of the prime minister—but that is only one element of the PM's power. See Simpson, 2001; Thompson, 2002; and Savoie, 1999. Gordon Gibson (2001a) describes the PM as a “four-year elected dictator.”

¹⁴Thus, in the November 2000 federal election, the Liberal Party won 57.5 percent of the 301 seats with 40.8 percent of the total votes. Note that the FPTP method is not a necessary part of the Westminster model, as Australia and New Zealand make clear. Changing the FPTP method is often held to be a remedy for the ills of the Westminster model. See Loenen, 1997; and Loenen, 2001. But see the critique by Crowley, 2002.

¹⁵Recall that of the 17 governments formed at the federal level following elections between 1949 and 2000, six were minority governments: three Progressive Conservative and three Liberal. All occurred between 1957 and 1979.

¹⁶And governments use a considerable amount of tax money to influence the discussions of their performance (actions in general) in the news media. The Information Commissioner of Canada, John Reid (2002, p. 3) calls this the “managed message.”

¹⁷“Those called upon to exercise substantial power and discretionary authority must be answerable (i.e., subject to scrutiny, interrogation, and ultimately, commendation or sanction) for all activities assigned or entrusted to them” (Commission of Inquiry, vol. 1, p. 21).

¹⁸The New Public Management literature has given renewed emphasis to performance measurement and accountability. See, for example, President of the Treasury Board, 1997; Aucoin, 1995; Aucoin & Heintzman, 2000.

¹⁹The key result of the Glorious Revolution of 1688-89 was to establish a constitutional monarchy in which sovereignty lay with Parliament (following periodic elections), not with the monarch. Recall that Parliament effectively deposed James II and recruited William of Orange and his wife Mary (the eldest daughter of James II) to become King and Queen.

²⁰“It would be difficult to overestimate the influence that a prime minister can exert on his Cabinet in a Westminster-type system such as Canada’s” (Jauvin, 1997, p. 49). Of course his ability to exercise constitutional powers depends heavily on political reality. Prime Minister Chrétien’s decision to retire (announced on August 21, 2002, but not effective until February 2004) reflects his loss of support within his own party and with the public. See, for example, Simpson, 20002d.

²¹See Jauvin, 1997; Sutherland, 1991; Royal Commission on Financial Management and Accountability, 1979; Privy Council Office, 1993.

²²The continued use of this rhetoric in Canada is a barrier to the recognition that the government is to be accountable to the people. The interposition of “the Crown” helps to maintain the idea that citizens are “subjects” of the Queen, the ultimate authority, rather than the ultimate authority themselves. See the discussion in the final section of this paper.

²³Private member’s bills are an exception. But unless they have the support of the cabinet, they will not be enacted. The cabinet, like any monopolist, is most reluctant to countenance other sources of supply, in this case for new draft legislation. The PM is expected to announce that private member’s bills will be allowed to reach the floor of the Commons for a vote (see *National Post Online*, June 20, 2002). For one MP’s reaction to the previous policy of blocking private member’s bills, see Coyne (2002a).

²⁴It appears that very few Canadians realize that in most years far more law is made outside of Parliament (i.e., subordinate legislation), than in it (statutes). All subordinate legislation, however, must be authorized by a statute. Generally, see Stanbury (2002c).

²⁵This is the normative heart of the Westminster model, but the logic is flawed. For a majority government, the cabinet controls both the Executive and the Legislature. By applying the whips, the cabinet can ensure that it is not defeated in the House, no matter how poorly it performs. The “people” only come into the process during a general election, which may be years away. Further, the voting decision is complicated by the fact that each voter is deciding among complex “bundles.” For the governing party, these include past performance (good and bad) and expected future performance. Thus there is a very weak link between any *particular* action of the government and the results of the next general election.

²⁶The prime minister has promised to widen the scope of the election finance law to include leadership races, nomination races, and local constituency associations. See Prime Minister’s Office (2002). These proposals stem from a variety of charges of corruption in the spring of 2002 which prompted Jean Chrétien (2002) to announce an 8-point “integrity package” (as if integrity is just another political option, not a core requirement).

²⁷Canadian Alliance MP Vic Toews (2001) states that in the 36th Parliament, only 21 of 772 private member’s bills or motions were made votable.

²⁸Recall the Gilbert and Sullivan line in which an MP sings, “I never thought of thinking for myself at all, I always voted at my party’s call.”

²⁹Of course, columnists have a different role. They are, in effect, individually identifiable editorialists.

³⁰The main objective of opposition parties (quite naturally) is to gain power. That is usually seen as a matter of discrediting the party in power, particularly its leader. At the same time, the major opposition parties do a considerable amount of analytic work (see, for example, the materials on the website of the Canadian Alliance). However, little of this work is reflected in the news media, which tends to focus on interparty “games” and the actions of party leaders. Indeed, an opposition that wisely advised the government in a calm and timely manner would markedly reduce its own prospects. This is a perverse incentive.

³¹In general, party discipline is stricter for the party in power than opposition parties. For the party in power, efforts to enforce discipline appear to depend on the size of its majority and the inclinations of the PM. For example, as PM, Jean Chretien has imposed stringent discipline on Liberal Party MPs. Further, he has made it clear, repeatedly, that he expects loyalty to him personally. For example, only a day or two before his retirement was announced (Clark, 2002), he asked Liberal MPs and Senators to sign a letter swearing fealty to him (see Dunfield, 2002; Ibbitson, 2002).

³²Then, it is argued, the new government will be able to put reforms in place. First comes the gaining of power; then comes policy. Policy proposals—our history indicates—are seldom the means to gaining power. See McCall and Clarkson, 1994.

³³Eleven of the past 17 federal general elections (i.e., those since 1949) resulted in a majority government. There were three minority governments headed by the Liberal Party and three headed by the Progressive Conservative Party. They were in power for a total of about 10 years.

³⁴BC had a referendum that sought the view of electors on the matter of major treaties with the Native Indians. This effort was subject to considerable criticism in the news media. See Joyce, 2002; Victoria Times-Colonist, 2002; Yaffe, 2002. Also in BC for some years there has been recall legislation, and some major campaigns have been launched, several with near success in spite of very high hurdles. One was resolved by the resignation of the MLA when it became clear that the recall *would* succeed. See Gibson (2002a).

³⁵For example, Paul Martin Sr., who held a number of cabinet posts in the Liberal governments in the 1950s and 1960s, used to go home to his Windsor riding every weekend and “press the flesh” of his constituents at a regular location on Saturday mornings. He argued that this method ensured that he was well informed about the views of his constituents. And they always had a convenient channel to deal with him face-to-face.

³⁶But at the federal level, it is the PM, with the advice of the most senior deputy ministers, who appoints each minister’s deputy. Thus, the deputy minister’s loyalty may be more to the PM and Clerk of the Privy Council and less to his or her particular minister.

³⁷The Liberal Party’s *Red Book* that was created for the 1993 election campaign is a conspicuous exception. See Kippen, 2000. Recently columnist Hugh Winsor (2002) quoted the Clerk of the Privy Council, Alex Himelfarb, as saying, “We’ll give elected officials the most exciting options they have ever seen. They’ll have choices they’ve never had before, and we’ll be very happy together.” According to Winsor, “What Mr. Himelfarb was signaling is his belief that [Jean Chrétien’s] cabinet will give bureaucrats unprecedented responsibility and a new platitude to translate these general themes [health care reform, R&D programs, aboriginal issues, proactive environmental intervention, early childhood development and a reduction in child poverty] into specific legislation and programs.” There is no question that governments of both stripes in Ottawa have relied heavily on senior public servants to generate policy ideas, as well as to implement those approved by ministries. It is a sad irony that politicians in Canada tend to be bereft of political ideas, at least of any depth. I note that Preston Manning was

a shining counter-example as leader of the Reform Party (later Canadian Alliance). Steven Harper, the current leader of the Canadian Alliance, is also a man of ideas. See Harper (2002).

³⁸McCall and Clarkson (1994) describe the failure of an initiative during the Trudeau years to develop policy proposals within the membership of the Liberal Party. The proposals were rejected out of hand by cabinet ministers. See also Marsden, 1990.

³⁹Gordon Gibson (personal communication, July 4, 2002) emphasizes that Boards of Directors not only appoint and fire and pay the CEO; they also approve budgets, major capital expenditures, share and debt issues, etc. They do all of this for a voluntary (in the sense of freedom of exit position of the shareholder) as opposed to the involuntary relation of the citizen to the state. The latter should provide for a much higher standard of accountability.

⁴⁰There have been some inroads into administrative secrecy, e.g., the *Access to Information Act*. But it is quite limited (e.g., it does *not* cover cabinet confidences), and is being undermined by the government itself. See Roberts, 1998; Grace, 1998; Reid, 2001; Reid, 2002.

⁴¹For example, in July 2002, a former senior official refused to tell the Public Accounts Committee if he had received instructions from his minister or from the PMO concerning the handling of contracts in the Department of Public Works. See LeBlanc, 2002.

⁴²See *Information Commissioner of Canada v. Minister of Environment Canada and Ethyl Canada Inc.*, Federal Court, Trial Division Judgment of April 2, 2001 (T-1125-99).

⁴³Candidates of registered parties may also issue receipts for the tax credit on contributions and, if they obtain 15 percent of all votes cast, they are reimbursed for one-half of their “election expenses” (see Stanbury, 2000). Note that the prime minister has promised to introduce extensive changes in the rules governing party and candidate finances in the fall of 2002. See Prime Minister’s Office (2002). For a very interesting, simple reform proposal, see Coyne (2002c). See also Coyne (2002b) arguing that better disclosure of who gives how much to whom is not enough. On the need to regulate leadership races, see Stanbury (2002a).

⁴⁴The party with the second largest number of MPs is deemed to be the “Official Opposition” and so gains a variety of advantages over other opposition parties, e.g., a large budget for staffers, priority in Question Period, and a house for its leader (Stornoway). All parties that elect 12 or more MPs are officially recognized in the House of Commons.

⁴⁵Between elections, citizens can try to influence policy makers through interest groups (see Stanbury, 1993). However, the most effective interest groups tend to be those representing people with a large stake (pecuniary or psychological) in particular policy issues and whose numbers are sufficiently few that organization can overcome the natural tendency to free ride (see Olson, 1965).

⁴⁶It must be prepared to take considerable “heat” or “flack” if it does so.

⁴⁷In the November 2000 federal general election there were 11 registered parties. The six “smallest” ones jointly accounted for only 1.9 percent of the popular vote. Only four parties nominated enough candidates to, in theory, form a majority government—even if all candidates were elected. In 1974, there were only four registered parties. The record of 14 occurred in 1993 and they ran a record number of candidates (2,155).

⁴⁸There are two exceptions. Citizens in the constituency represented by the leader of the party that becomes the government have had the opportunity to vote for the prime minister. Second, party members vote in leadership contests and so help to select the person who might become PM.

⁴⁹In Quebec, the Parti Quebecois claims that referenda on separation is a profoundly democratic right and is also a critical part of the right to self-determination. In December 2000, Quebec passed Bill 99, which claims to give Quebec the right to secede unilaterally by holding a vote in a referendum on wording of its own choosing and getting a 50-percent-plus-one vote in favour (see Johnson, 2000). However, the federal government enacted the *Clarity Act* in June 2000, indicating how it would interpret future referenda on secession. It earlier referred the matter of Quebec’s right to secede to the Supreme Court of Canada. The Court rendered its decision in August 1998, where it made it clear that winning a referendum on secession and holding negotiations would not give Quebec the right to secede if an agreement could not be reached.

⁵⁰BC now permits a recall petition. If the signatures of 40 percent of the eligible voters are obtained in an electoral district, a by-election is held. The NDP put this legislation in place most reluctantly and so made it very hard to use (see Gibson, 2002a).

⁵¹Generally, see Hartle (1979).

⁵²Note that Cowley (2002) argues that an election under the Westminster model “is a contest between competing teams for the voters’ confidence,” and that policy issues are not very important: “The electorate’s judgment is chiefly about intangibles such as personalities and trust... most votes are only a weak expression of preference for one party’s ‘program’ or ‘principles.’”

⁵³Von Mises (1996, p. 178) defines ideology as “the totality of our doctrines concerning individual conduct and social relations.” It is inherently normative—the “ultimate ends which man should aim at in his earthly concerns.”

⁵⁴In the US, mid-term elections might serve this purpose. The president can be “punished” if enough voters support the party not headed by the president when they vote for a member of the House of Representatives (who are elected every two years).

⁵⁵See Toulon (1998) regarding the prime minister’s imposition of party discipline on the Hepatitis C issue. More generally, see Taber & Clark (2002) and Laghi (2002). On the difficulties of not interpreting the loss of a vote by the government as a matter of confidence (hence provoking an election), see Dobell (2001).

⁵⁶The individual communication is said by books on lobbying to carry substantial weight with politicians (so long as it is not part of organized effort to rouse the “grass roots”). With the growth of access to the Internet, it is easier for citizens to quickly put their view to MPs, the PMO, and to individual ministers.

⁵⁷There are two problems here, according to public choice theorists. The first is that of “rational ignorance,” i.e., information requires resources, but the expected benefit from acting on that information may well not justify acquiring it. So staying ignorant is rational (see Williams, 2002). Second, there is the problem of what might be called “the logic of collective inaction” (with apologies to Mancur Olson, 1965). It refers to the fact that the representation of interests is often a public good in the technical sense, i.e., consumption or use of this good does not reduce the amount available for others (unlike a private good), and it is either not possible or not efficient to prevent “free riders,” i.e., consumption by those who paid nothing for the good. Thus, such goods will be undersupplied in a purely market economy. In practice, however, a surprising number of interests do get organized and seek to influence public policy. However, not all interests—even some large ones—get organized, or if they do so, are effective in influencing public policy. See Stanbury (2002b).

⁵⁸See Emes & Walker (2001). Citizens are frustrated too, as government services grow in relation to private consumption, because—compared to the latter—it is far more difficult to get a close match between the vector of government services one gets and the vector of such services one wants and the taxes one is forced to pay to finance government services. This problem goes far beyond the problem of public goods in the technical sense, which represent a form of market failure which a government can overcome. The fact is that most government services are *private* goods that are financed and usually provided by a government. It must be appreciated that nearly one-half of the expenditures of all three levels of government in Canada are income transfers.

⁵⁹Recall that Prime Minister Jean Chrétien invited persons unhappy with the high level of taxes in Canada in the spring of 2000 to leave the country. More generally, he seems oblivious to the “brain drain” of young, well-educated, and energetic Canadians to the US (see Mofina, 2002).

⁶⁰These go far beyond getting another job and moving one’s household. For example, to cease to be a resident of Canada for tax purposes, one must sell all one’s real property and close one’s bank accounts. On the other hand, one can’t exit Canada and take the assets in a registered pension plan even if one pays the full marginal income tax rate (over 50 percent in most cases) on the capital sum. This can be done for RRSPs, however. Of course, the very wealthy can put much of their wealth and income beyond the reach of the Canada Customs and Revenue Agency while remaining as residents and citizens.

⁶¹See Kippen, 2000.

⁶²For example, suppose the average cost of maintaining each person in Canada’s embassies is, say, \$256,000 per year. Is that an efficient level of expenditure? What if the range of average costs for nations of comparable size to Canada is \$150,000 to \$230,000? Then it appears that Ottawa is not performing efficiently on this activity.

⁶³There are problems with the ways departments report on their performance annually. See Auditor General of Canada (2002, ch. 6).

⁶⁴Who might have predicted during the November 2000 election that the Canadian Alliance would almost “disintegrate” within two years apparently over the leadership of Stockwell Day? In March 2002, Day was replaced by Stephen Harper.

⁶⁵This evidence is based on studies of US elections. Comparable ones cannot be done for Canada (for statistical reasons) because there are only 10 provinces and the US has 50 states.

⁶⁶Governments seem to be trying to reduce the role of freedom of information laws. See Roberts, 1998; Grace, 1998; Reid, 2001; Reid, 2002.

⁶⁷When the MP is the PM, an extraordinary amount of “pork” may be directed to his riding. See Cameron (1995) regarding Brian Mulroney’s riding.

⁶⁸This is the goal of the Improved Reporting to Parliament Project, for example (see President of the Treasury Board, 1997). For an assessment of the limited progress, see Auditor General of Canada (2002, ch. 6).

⁶⁹One way to improve accountability is to legislate greater independence and resources for agencies that evaluate the performance of government departments and agencies. It would also help if review and assessment efforts by bodies *outside* government were given more public money and better access to government information. In both cases, wider diffusion of the results is essential.

⁷⁰It is an axiom that, when a change of government occurs, voters usually reject the governing party, and so a party that was in opposition is able to form a government. Thus it appears that voters pay less attention to the alternatives than to the performance of the party that held power.

⁷¹They could have a stronger voice. See Wallace (2002) and Canadian Alliance (2002).

⁷²In fact, MPs of all parties have far less experience than do their counterparts in the UK. A recent study found that more than one-half of Canadian MPs has served less than five years, and less than 10 percent have served over a decade. The comparable figures in the UK were 20 percent under five years and over 50 percent over a decade (study by Professor C.E.S. Franks for the PCO in 1997, cited in Kennedy, 2002).

⁷³While it makes behavioral sense to individuate rewards and sanctions, it may be difficult to implement, particularly in the public sector, which tends to be obsessed with “fairness” rather than efficiency (or even efficacy sometimes). Thus it may not be possible to see that the reward or sanction is closely fitted to what would have the desired effect on the particular individual.

⁷⁴Of course there are other forms of political participation besides voting. These include joining and becoming active (in varying degrees) in a political party, making political contributions, information proselytizing among friends etc., and seeking office. Only a tiny percentage of citizens go beyond voting (generally, see Verba *et al.*, 1995).

⁷⁵One is reminded of the joke about shoes in the army. There are only two sizes: too large and too small.

⁷⁶Of course, ministers can violate specific prohibitions against influence peddling, accepting a bribe. Senator Michel Coggger was recently convicted of “influence peddling.” See *Globe and Mail*, June 3, 1998, pp. A1, A5. In September 2000, he resigned from the Senate after his appeal was rejected. On corruption during the Mulroney years, see Cameron (1995). In BC, former NDP Premier Glen Clark has been tried for accepting a benefit (some underpriced construction work on his house) in return for helping a man to try to obtain a gambling licence.

⁷⁷I am indebted to my friend John Howard for bringing a number of these points to my attention. See also Howard, 1991.

⁷⁸It should be noted that the Supreme Court of Canada has permitted federal electoral districts to vary in the range of plus or minus 25 percent of the national average. This variation ignores the tiny ridings in PEI (part of a constitutional deal) and the far North (where very few people are scattered over great distances). In the US, the “one person, one vote” rule is followed much more closely; average plus or minus only 2 percent.

⁷⁹Given the handful of parties, it is common for elected members to have obtained less than half the votes cast.

⁸⁰The simple dyad can be found in the relationship of master and servant, the sole owner of a business and his or her employee, and client and lawyer or other supplier of professional services.

⁸¹In the November 2000 general election, according to the Chief Electoral Officer, eight independents were elected while five parties elected MPs. Because each of these five parties elected at least 12 MPs, they were recognized under the Commons’ rules as parliamentary parties.

⁸²In the 1993, 1997, and 2000 general elections, the Liberal Party formally published its set of promises (its *Red Book*). In the 1997 election, the Party made some effort to show how many of its promises in 1993 had been implemented (see Kippen, 2000).

⁸³Karen Selick (1998) argues that MPs should be held legally liable for not doing their job properly and for the harm they cause. This would end the spectacle of paying compensation with taxpayer’s money to victims of government errors.

⁸⁴Such violations depend upon the outcome of litigation initiated by private parties or other governments that believe the federal government has exceeded its powers and adversely affected their own.

⁸⁵Recall that it was this fact, plus the existence of monitoring costs, that led to the development of the principal-agent theory in the corporate context (see Fama, 1980; more generally, see Stiglitz, 1987).

⁸⁶However, as the Enron, WorldCom and other recent corporate scandals show, false or misleading accounting data may be used to enhance the price of the shares. On possible reforms, see McCain (2002).

⁸⁷Recent research indicates that the “shelf life of CEOs” is only about three years (see Galt, 2002).

⁸⁸Note that Benn and Peters (1965) implicitly assume the existence of the Westminster model with only two parties. In Canada, with three or more parties contending for office, pluralities in the popular vote translate into a majority of seats in the House of Commons because of the first-past-the-post rule in the election of MPs.

⁸⁹There has been a steady decline in voter turnout in federal elections since 1988. It averaged 75 percent between WWII and 1988. This issue is discussed in Ward (2002), O’Neil (2002), and Simpson (2002a).

⁹⁰For example, they may be galvanized to vote in an election where a certain issue divides the main parties and the issue is also highly salient to them. Consider the case of the Quebec Referendum on sovereignty association on October 30, 1995. The turnout was 94 percent.

⁹¹In Australia, since 1949 the Senate has been elected (12 senators for each of 6 states) using proportional representation (see Aubrey, 2002).

⁹²Even with two parties, it is possible for a party to win a majority of the seats with less than one-half the popular vote.

⁹³Of course, the perceived attributes may be little correlated with the leader’s real attributes due to effective public relations and “spin control.”

⁹⁴True public goods have two key characteristics: (a) consumption by one or more persons does not reduce the amount available for others, and (b) it is not possible or practicable to prevent those who have not paid for the goods from gaining access to them (i.e., free riding cannot be prevented or it is inefficient to do so).

⁹⁵I note that the home page of the current prime minister’s website (www.pm.gc.ca) contains a section entitled “The Prime Minister’s Team,” and lists the members of the cabinet. The team idea is emphasized in Crowley (2002).

⁹⁶Even if individual ministers have considerable autonomy, all are collectively responsible for the actions of each in the Westminster model.

⁹⁷The power of the PM in Canada vis-à-vis the parliamentary party is far greater than that of the PM in the UK. Why? One important reason is that party leaders in Canada are selected (and “deselected”) by a broadly-based party convention (or the increasingly

common vote by all party members) while in the UK, the party's MPs have a much greater role in selecting the leader. Further, the MPs alone can change leaders. Recall the speed (about a month) with which Margaret Thatcher's career as PM was ended by her party's MPs. Under the current Liberal Party rules, the leader faces a two-part test on his leadership. Party members at the constituency level will vote from mid-November until mid-January. Then there will be a vote by delegates at a party convention in February 2003. The results of the grass roots' vote will be announced after the vote at the convention. See Canadian Press (2002b). Even the *National Post* (June 10, 2002) said editorially that this amounts to "one test too many," e.g., what if the results are conflicting? Of course, in light of Mr. Chrétien's announced plan to retire in February 2004, these rules may change.

⁹⁸The PCO is said to have a staff of 600 while the Treasury Board Secretariat (another major "policy shop") has 7,000. See Curry (2002). The PMO is said to have a staff of at least 84 (see Thompson, 2002).

⁹⁹Paul Martin's unofficial challenge to the leadership of Jean Chrétien began several years before the PM announced that he would retire. Martin was fired on June 2, 2002. The conflict is described in Simpson (2002b) (2002c).

¹⁰⁰One Liberal MP has noted that a deputy minister has been quoted as saying that "Parliament is a minor process obstacle" in policy-making (see May, 2002). Opposition leader Stephen Harper states that Parliament "has ceased to be a legislative body... All it really does in the democratic sense is confirm the choices of the prime minister" (quoted in Martin, 2002). Former prime minister Brian Mulroney has recently been quoted as saying that Parliament is in a "state of total collapse" pointing to "too much power vested in the Prime Minister's Office" (quoted in Thompson, 2002).

¹⁰¹For an insightful discussion of ways to increase the role of MPs in policy making, particularly by strengthening committees, see Dobell (2001). See also Canadian Alliance (2002).

¹⁰²According to a number of observers, Brian Mulroney had a unique ability to calm, charm, and listen to members of the Tory Caucus and to maintain their support even when he was very low in the polls. See Cameron (1995) and Laghi (2002).

¹⁰³Even this function has been largely replaced for government MPs by the use of scientific public opinion polls.

¹⁰⁴It must be emphasized that in Canada, party discipline is much tighter than it is in the UK where the Westminster model originated. Tight party discipline is of greatest benefit to the party leader whose political base is largely outside his or her MPs.

¹⁰⁵For example, the extensive and very thoughtful speech by Opposition Leader Stephen Harper (2002) in reply to the latest Speech from the Throne received very little coverage in major newspapers. Nor have the Canadian Alliance's (2002) proposals for reforming Parliament received much coverage.

¹⁰⁶Gordon Gibson (personal communication, July 4, 2002) points out the curious truth that a rebellion by a majority of the party's MPs could change the system at any time. It was such a rebellion effected through Paul Martin's unofficial leadership campaign as well as Martin's supporters' "capture" of key elements of the party's rule-making machinery that resulted in Mr. Chretien's announced retirement. See Taber (2002); Coyne (2002d).

¹⁰⁷See Cobb (2002) who reports on a study showing that a large number of Canadians are confused about the left-right position of the NDP and Canadian Alliance parties. A recent study for the Institute for Research on Public Policy found that only 13 percent of those aged 18 to 29 could name the prime minister, finance minister, and leader of the opposition. In a similar survey in 1990, 20 percent could name all three politicians (see Ward, 2002).

¹⁰⁸Columnist Jeffrey Simpson (2002) reports on a recent study on the reasons why voter turnout has declined in Canada over the past few decades (to 61 percent in the November 2000 general election). Canadians who come to voting age after 1988 account for much of the decline. They are less engaged in both politics and other kinds of civic activity, such as joining interest groups. They pay less attention to politics, are less well informed, and form a smaller fraction of the vote.

¹⁰⁹Just think of the high level of income Brian Mulroney has been able to earn after being PM for eight years, leaving a huge deficit and a crippling public debt. He was embraced by the wealthy in both Canada and the US (see Cameron, 1995).

¹¹⁰For example, Alfonso Gagliano, who was made Minister of Public Works in June 1997, came under strong fire for his handling of government advertising contracts in August 2000. One of the companies had hired his son in an executive position. On January 15, 2002, the prime minister shuffled his cabinet and announced that Gagliano was appointed as Canada's ambassador to the Kingdom of Denmark.

¹¹¹Sadly, Canadians have exercised little vigilance in ensuring that their governments serve their interests and not the small cadre who control the political party in power. While it is true that the structure of incentives militates against efforts by citizens to control their government, such matters are too important to be governed largely by pecuniary incentives. Symbolic protests aside, passivity has been bred into the bones of almost all Canadians.

¹¹²A series of reforms are discussed in Stanbury, Howard & Moore (2002), Stanbury (2002a), Canadian Alliance (2002). On September 28, 2002, the Southam Newspapers began publishing a 19-part series on the State of Democracy in Canada. See for example, Aubry (2002), Duffy (2002), Kennedy (2002), Martin (2002), O'Neill (2002), Thompson (2002), Wallace (2002) and Ward (2002).

¹¹³The *Canadian Citizenship Act* of 1947 specified that Canadians were no longer British subjects, but Canadian citizens. The legislation, however, changed neither the mind set nor any of the trappings of the fact that Canada's head of state is the Queen of the United Kingdom of Great Britain and Ireland. For example, members of the federal cabinet "solemnly and sincerely swear... to be a true and faithful servant of Her Majesty Queen Elizabeth, as a member of Her Majesty's Privy Council for Canada" (see Johnson, 2002).

¹¹⁴Why do we need the Queen's permission (no matter how formal and nearly automatic) to govern ourselves on a day-to-day basis? Why should the Crown's permission be needed to sue the federal government in many contexts? Why does the prerogative power—albeit in a somewhat reduced form—continue to exist? These are more than the residue of a complex evolution of democratic government coming out of the divine right of Kings beginning with the Magna Carta signed at Runnymede in 1215. The retention of the old language of Crown and subject, of the Queen's Privy Council for the cabinet, and of Royal Assent shapes the thinking and assumptions of the role of citizens in what purports to be a modern democracy.

¹¹⁵Even that acute observer of Canadian politics, Gordon Gibson (2001c, pp. 27-28), in his discussion of applying the principle of subsidiarity to achieve political reforms, provides a questionable image about the position of citizens vis-à-vis their elected representatives. After pointing out that in Canada, at present, "sovereignty resides in the Crown or state," but that "the fundamental unit is the citizen," Gibson goes on to say that the citizen "may delegate powers *upward* to the family, the community, the city, the regional district, the province, the central government, NAFTA, the WTO or even the United Nations, but the legitimacy that underpins those powers is always on sufferance, with the ultimate sovereigns—individual citizens—always free to withdraw powers or change the levels or executives exercising them" (emphasis added). With respect, if citizens are to be truly sovereign, then in our mind's eye they must always be at the *top* of the hierarchy delegating authority *downward* to their representatives. This image must become near universal among Canadians.

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About the author

WT Stanbury, Professor Emeritus, was UPS Foundation Professor of Regulation and Competition Policy, Faculty of Commerce and Business Administration, University of British Columbia, from 1984 to 2000. He is the author, co-author, or editor of several hundred academic or professional publications including some 40 books. He can be contacted at wstanbury@laguna.com.mx or wstanbury@hotmail.com.

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