

The Iranian industry of publishing translated works and its analysis on the basis of agency theory

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ABSTRACT

Agency theory is a socio-economic theory which has been applied in a large number of different disciplines. Its basic concepts include agent and principal, contract, adverse selection, moral hazard, goal conflict, information asymmetry, risk sharing, outcome uncertainty, hidden action, hidden information, agency cost, and agency variables. Translation and Translation Studies are the fields in which it is utilized to examine their numerous aspects and dimensions.

This paper has examined the Iranian industry of publishing translated works on the basis of agency theory. The research methodology selected by the researcher has been the qualitative research where a structured interview with an Iranian publisher distributing translated works has been conducted. The participant's answers have been analyzed one by one on the basis of agency theory. Afterwards, the analyses have been examined altogether and compared against each other to make concluding points.

The theory's concepts have been classified according to the participant's answers and in a descending order as follows: agent-principal relationship and hidden action (9 cases); information asymmetry, risk sharing, and outcome uncertainty (8 cases); goal conflict (5 cases); contract and agency variables (4 cases); moral hazard and hidden information (3 cases); agency cost (2 cases); and adverse selection (no case).

Keywords: Agency, Publishing, Publisher, Translation, Translator

Introduction

"Translation is a phenomenon that has a huge effect on everyday life" (1). As viewed by Benmessaoud and Buzelin (2), translation makes such phenomena as acquiring symbolic capital, transferring literary prestige, negotiating national identities, and making hegemonies possible. They consider it as a process which takes place within an international space characterized by structural inequalities and asymmetrical power relations. The work translated by a translator gains value and prestige and also a formal nature when it is published by an individual known as publisher. In fact, it should be said that the path between a book to be written in a language and its translation to be distributed in another language is very long and includes numerous steps and activities conducted by several individuals and both governmental and nongovernmental organizations.

When there is an action which is to be taken for a specific purpose, an individual or a group of individuals must decide to carry it out. They either do the task by themselves or delegate it

to other groups and individuals. This means that the agency of any task is upon an individual or a group of individuals. "The economic theory of agency provides a framework for studying situations in which a person or a group of people delegates the selection of an action to another individual" (3). There is no doubt that the basic insight of principal-agent theory is well known. One party (the principal) hires another party (the agent) to undertake a particular task, but the former party suffers from an information asymmetry which introduces a problem in terms of motivating the latter party (4). Contract, adverse selection, moral hazard, goal conflict, information asymmetry, risk sharing, outcome uncertainty, hidden action, hidden information, agency cost, and agency variables are among the basic concepts of agency theory.

The Statement of the Problem

Translation Studies (TS) is a recently-established discipline which attempts to examine different dimensions, classifications,

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dichotomies, and characteristics of translation. One of the areas under this discipline is the area of publishing a work produced in a language and translated into another one. Its scope can be restricted to specific geographical locations. TS is also interdisciplinary and links itself to other disciplines. Two of these disciplines include sociology (study of society) and economics (study of economical phenomena). Agency theory is the theory applied in both such disciplines. Publishing translated works from Translation Studies and agency theory from socioeconomics are incorporated in this research, a project conducted in the Iranian context. It is concluded that the assessment of Iranian publishing industry and the various concepts involved, with regard to the area of translated works, based on the agency theory is the main problem discussed in this research.

Research significance

Agency theory contributes to organizational thinking in two specific ways. The first way involves the treatment of information. Information is considered as a commodity in this theory. Information has a cost and can be purchased. The implication is that organizations can invest in information systems so that they will be able to control agent opportunism. The second contribution of agency theory involves its risk implications. It is assumed that organizations have uncertain futures. The future will bring prosperity, bankruptcy, or some intermediate outcome. Organization's members are the only agents who can partly control such a future. Agency theory extends organizational thinking by pushing the consequences of outcome uncertainty to their implications for risk's creation. Besides the inability to preplan, uncertainty is seen in terms of risk/reward trade-offs. The implication is that outcome uncertainty coupled with differences in willingness to accept risk should influence agent-principal contracts (5). As agency theory is here applied to the organization and further dimensions of publishing translated works, it can be considered as a third contribution.

Research questions

Analyzing the Iranian industry of publishing translated works on the basis of agency theory, which of the latter's concepts enjoys the highest degree of manifestation?

Research limitations

The researcher, due to temporal and spatial limitations, considers the issue of genre as a general one and does not go into the details of the issues and phenomena related to the publication of different genres. This research, for the same reasons already mentioned, focuses on the human agency and leaves nonhuman agency (machine translation) for other scholars and researchers.

Literature review

"Translation has been an important cross-linguistic and cross-cultural practice since earliest times" (6). Most societies have one or several concepts of translation which have changed over time and under the pressure of different factors (7). The academic study of translation and its classifications, typologies, concepts, theories, dimensions, and components is today located under an independent and breathtaking discipline called Translation Studies (TS). Translation Studies is a relatively young discipline. It has evolved a lot over the past half-century. It started as a section within applied linguistics and literary criticism but soon it became clear that translational activities and products as well as their analysis involve much more (8). From the 1980s onwards, TS scholars made use of frameworks and methodologies borrowed from other disciplines. Such distinctive methodologies and theoretical frameworks were constantly adapted and re-evaluated in order to serve the needs of Translation Studies. There are various theoretical perspectives from which translation may be studied. Research in Translation Studies has become more and more interdisciplinary. Translation research has moved away from linguistic approaches and the circumscribed cultural studies approaches currently in use. Research in Translation Studies increasingly necessitates scholars with broader training (9).

Translation has long been a practice and an object of discourse. In the early 1960s, it claimed to be a science. A decade later, it aspired to become an independent discipline. More recently, such a discipline has transformed into a world vision. Within the humanities, it has come to be viewed as an essential ingredient of contemporary societies and a key concept to understand them (10). Although it seems obvious that communication is the primary objective and function of a translated text, today it is unlikely to suppose that translation is a simple communicative act. A translation never communicates in an untroubled fashion because the translator negotiates the ST's linguistic and cultural differences by reducing them and supplying another set of differences drawn from the receiving situation to enable the translation to circulate there. Every step in the translation process is mediated by values, beliefs, and representations existing in the receiving situation. A translation transforms ST by inscribing an interpretation which reflects what is intelligible and interesting to receptors. This transformation takes place even when the translator attempts to maintain a fairly strict formal and semantic correspondence (11).

Agency theory

Agency theory is a consequence of economic risk research. This theory describes the relationship between a principal (who delegates work) and an agent (who actually performs the work). It considers people as self-interested, rational, and risk-averse. Agency problems grow out of information asymmetries and goal divergence between principals and agents. They also result from principals' inability to monitor agents' behaviors. Agent's autonomy creates a significant moral hazard that the agent will be self-serving. This hazard is reduced by principals developing rules

of the game. Such rules involve designing programmable jobs, monitoring agent's behavior, and rewarding performance (12).

Agent and principal

The agent refers to an individual who, motivated by his/her own interests, undertakes to do certain tasks for the principal. All agency relationships can suggest a search for efficiency since the principal, for not having the experience, time, competence, or qualification, confers the task of managing resources and executing activities to the agent (13). It is supposed that, according to Soudijn and Zhang (14), the agent's actions formally benefit the principal. Agency theory examines the problem in which multiple agents bargain for a good or service. In this theory, the principal usually refers to the customer who requires a good or service and the agent refers to the provider. The relationships between employers and employees, an insurance company and its customers, or an entrepreneur and his/her suppliers are typical examples of principal-agent relationships. It is a very common and general schema and almost every transaction can be reduced to it (15).

Contract

The principal-agent literature focuses on determining the optimal contract. The model's approach can be described in terms of cases. The first case involves complete information and is when the principal knows what the agent has done. Given that the principal is buying the agent's behavior, a behavior-based contract is most efficient. An outcome-based contract transfers risk to the agent assumed to be more risk averse than the principal. The second case involves when the former does not know exactly what the latter has done. Given the agent's self-interest, s/he may or may not have behaved as agreed. The agency problem arises because (a) they have varying goals and (b) the principal cannot determine if the agent has behaved appropriately. Finally, when principals and agents engage in a long-term relationship, it is likely for the former to learn about the latter and so to be able to assess behavior more readily. Conversely, in short-term agency relationships, the information asymmetry between them is likely to be greater and make outcome-based contracts more attractive (5).

Suppose that the principal has no way to observe the level of attempt made by the agent and, after the summer, he also lacks detailed information about weather conditions during the summer. All he can observe is the pay-off, i.e. the amount of money made by selling the pomegranates. If the pay-off is high, it can be due to a high level of effort made by the agent and average weather conditions or an average level of effort by the agent and good weather conditions. The principal cannot tell which one has contributed more to such a good result. They are the conditions under which the former should specify, at the beginning of the summer, a reward structure for the latter (16). The same scholars suggest two extreme solutions for this which are as follows:

The first extreme solution is to set a fixed salary for the agent which is independent of the pay-off. Such a reward structure is called a wage contract. It is similar to an employment contract with a fixed rate of pay. The problem with this type of reward structure is that the agent has no incentive to do a good job. In the principal-agent theory, the agent is supposed to like to receive more money and dislike to deliver more effort. Consequently, if his/her income does not depend on the pay-off, s/he will then select a level of effort equal to zero. The second extreme solution is that the agent receives the pay-off subtracted by a fixed amount to be agreed at the beginning of the summer. Such a reward structure is called a rent contract. The agent rents the land from its owner for a fixed amount. This rent does not rely on the pay-off. The agent grows the pomegranates and, after paying the rent to the landowner, receives whatever he can make for them. With this reward structure, the agent has a maximum incentive to do his/her very best.

Adverse selection and Moral Hazard

Adverse selection is defined as the problem of the principal in properly representing the agent's actual characteristics. In this case, either the principal is not able or it is too costly for him/her to determine if the properties, skills, and capabilities declared by the agent are truthful. Adverse selection is a challenge for the principal. If the agent lacks the necessary skills to perform the required task, the principal will likely be to incur in high costs or in problems with other partners. Moral hazard addresses another problem arising from information asymmetry between the principal and the agent. It may occur during the contract enactment and after the agent's selection by the principal. In this case, it is possible for the agent not to behave properly as s/he should follow the contract's rules. The agent can benefit from an information advantage because of the impossibility for the principal to perfectly monitor an agent's behavior. Monitoring may be costly or impossible to enact because of the nature of the task or the prevalence of exogenous factors. Agents can have different interests. As a result, they have the freedom to behave in a way to maximize their own utility functions (15).

Information asymmetry and goal conflict

Most of the agency theory's literature adopts two highly significant assumptions about the agency relationship. Information asymmetry and goal conflict must be simultaneously present in this relationship. Information asymmetry means that the agent possesses more or better information about the details of individual tasks assigned to him/her and his/her own actions, abilities, and preferences. The level of information asymmetry does not remain stable and can vary over different situations. The basic requirement involves the principal to encounter difficulties in acquiring the information possessed by the agent. Goal conflict refers to a situation where the desires and interests of the principal and the agent concerning specific ends are in conflict with each other and these individuals consequently prefer different courses of action. Goal conflict arises due to the agent's

self-interest and tendency to maximize or pursue his/her individual utility. The principal-agent goal conflict does not have to be constant. There must be a certain potential for their occurrence (17).

Risk sharing and outcome uncertainty

Some assumptions have also been made by a number of agency theorists about the risk preferences of principals and agents. The risk preference can be considered as the extent of an actor's preference for adventure rather than security. Risk-averse actors prefer security and seek some guarantee for attaining desirable outcomes. Risk-neutral actors are indifferent towards adventure or security. It is mostly assumed that the principal is neutral and the agent is averse towards risk. As agents are usually more unable to diversify their employment, they are mainly risk-averse. As principals are usually more capable in diversifying their investments, they are less risk-averse (17).

The principal has two options regarding unobservable behavior. The first option involves discovering the agent's behavior by investing in information systems. This investment reveals the agent's behavior to the principal and the situation reverts to the complete information case. The second option involves contracting on the outcomes of the agent's behavior. Such an outcome-based contract motivates behavior by co-aligning the agent's preferences with those of the principal, but at the expense of risk transformation to the agent. Since outcomes are only partly a function of behaviors, the issue of risk emerges. Government policies, economic climate, competitor actions, technological change, etc. cause uncontrollable variations in outcomes. The resulting outcome uncertainty introduces both the inability to preplan and risk that someone must bear. When outcome uncertainty is low, shifting risk to the agent involves low costs and outcome-based contracts are attractive. However, when it increases, risk shifting, despite the motivational benefits of such contracts, becomes too costly. P-A relationships should reflect efficient organization of information and risk-bearing costs(5).

Hidden action and hidden information

Two types of information asymmetry can be identified to investigate the difficulties: hidden information (adverse selection) and hidden action (moral hazard). Hidden information exists before the transaction and the information becomes available after its completion. Since an agent's actions can influence the outcomes which emerge but are not observable by the principal, hidden information asymmetries really exist. The analysis of hidden information involves specifying the relationship between resource inputs and the output of a good or service in the context of the characteristics of an agent. The analysis of hidden action follows a similar logic to that used for hidden information, but in this case, the principal is, before the event, uncertain of the actions taken by an agent. It therefore follows that, in the absence of specific contracting arrangements, the agent will have an incentive to undertake actions which

promote his/her utility but detracts from that of the principal. This possibility necessitates an uncertain world preventing the principal's linking of the agent's actions to outcomes. To control the agent's actions, the principal can make a contract which involves rewards and penalties, so that it is not in the agent's interest to shirk and claim an inappropriately high payment(4).

Agency cost and agency variables

It is the central challenge for a principal to structure his/her relationships with his/her agents for maximizing control under limited budget constraint. For this challenge, the two inter-related concepts of (agency cost) and (agency variable) are presented. In the broadest sense, agency cost is the total costs of different contracting choices, i.e. costs resulting from neutralizing information asymmetries (behavior-based contracts) and goal conflicts (outcome-based contracts) plus the costs resulting from agent opportunism, i.e. the loss borne by the principal and caused by the agent acting in his/her own interest at the expense of the principal. The other concept is agency variable which is related only to the post-contractual situation and the problem of moral hazard. Agency variables describe the levels of different internal and external conditions which are connected to the agency relationship that may have implications for agency costs and contractual choice. In other words, agency variables can anticipate the most efficient contracting choice for a given situation. Although their exact number has varied in different contexts, such five variables as outcome measurability, outcome uncertainty, task programmability, goal conflict, and length of agency relationship can be identified (17).

Materials and Methods

The methodology adopted in this research project is spelled out in this chapter. First, the research instrument utilized is described. Second, the research participant is introduced. Finally, the procedures of data collection and data analysis are mentioned.

Instruments

The current research project is a qualitative one. The researcher conducts a structured interview in which a set of questions are prepared prior to the interview session and the participant is asked to provide precise and comprehensive responses for them on the basis of her own knowledge and experiences. The interview session is recorded and the audio files are kept to be re-played and re-examined. The questions the participants are asked in the interview sessions are as follows:

1. How do you classify the individuals involved in the process of publishing translated works (author, translator, editor, copyeditor, photo editor, publisher, distributor, reader, etc.) in a descending order and on the basis of agent-principal relationship?

2. What are your criteria to determine any individual involved in the process of publishing translated works as either the principal or the agent?
3. What are the main components of a contract for publishing a translated work?
4. What type of contract do you consider as the best type of contract for publishing a translated work?
5. How do you ensure that the individuals involved in the process of publishing translated works are truthful in terms of the properties, knowledge, skills, abilities, and competencies they claim to possess?
6. What is your reaction when you learn that one or some of the individuals involved in the process of publishing translated works do not meet one or some of the requirements assumed to possess?
7. What types of information do you consider to be essential to be shared among the individuals involved in the process of publishing translated works and what types of information you do not?
8. What types of influences can the goal conflict between the individuals involved in the process of publishing translated works, if existing, have on the process and the final product?
9. What are the risks taken in the process of publishing translated works?
10. Which factors do influence the final outcome of the process of publishing a translated work?
11. What are the effects of hidden action on the final outcome of the process of publishing a translated work?
12. What are the effects of hidden information on the final outcome of the process of publishing a translated work?
13. What is your suggested classification for the costs involved in the process of publishing translated works?
14. What is your suggested classification for the variables (elements) influencing the process of publishing translated works?
15. On the basis of the points mentioned above, how do you evaluate the current status of the industry of publishing translated works?
16. What kind of perspective do you assume for the industry of publishing translated works?

Participants

The individual who has consented to participate in the research project is the inside director of a prominent Iranian Publication

Company established in 1988. She has studied clinical psychology and her degree is BA in this field of study. Although her education is not related to the field of translation, due to the several years she has worked in the publication company and her duty to select the works for translation and go through the procedures necessary for the translated book to be published, she is considered as an experienced individual in this respect.

Data collection and analysis

Research data in this project is dichotomized into two categories: the first category involves the information gathered through the study of a large number of works produced by different theorists and scholars and the second category includes the information collected via interviewing the individual who has consented to contribute to the progress of the project. All the participant's answers are examined on the basis of all concepts discussed by agency theory. All the points received from these stages are compared against each other in the last chapter of the project in order to make the concluding points necessary for the project to reach to an ending point.

Results and Discussion

1. Publisher is the principal only in terms of the contract type. Concerning the process, since the individuals contribute to the publisher, no P-A relationship is applied. Since they are the chains that work together, there should be no case of information asymmetry or goal conflict, because each of them can affect the whole process. The cohesive nature of chain work implies that both hidden action and hidden information, even by a single individual, affect the whole process and, therefore, must be avoided.
2. Having no criterion to determine P/A relationship, each of the individuals involved in the process can be the principal at a time and the agent at another. Such a fact points to the temporary nature of this kind of relationship in this context. Adverse selection plays no role here, because there exists no criterion for selection. Moral hazard is more likely to appear in this context; since there is no criterion to distinguish between principal and agent, each person may, at varying circumstances and occasions, allow him/herself to seek his/her own interests, even at the expense of others' interests.
3. The percentage of the translator's royalty involves risk sharing and outcome uncertainty; the former indicates the extent to which both the publisher and the translator take such a risk as making the amount they receive dependent upon the number of the books to be sold and the latter refers to both waiting to see the outcome of their efforts in terms of the books sold. The time to deliver the work involves hidden action; the translator, attempting to deliver the final work as immediately as possible, may apply specific techniques and strategies without making the publisher aware of them. Not translating the work for other publishers also involves hidden action; translating the same work for multiple publishers without informing them is an obvious

instance of hidden action and can be considered as a serious challenge for the industry. Maintaining the rights of the publisher involve hidden action as well; the translator who does not follow the publisher's rights due to his/her unethical character does it without informing the publisher.

4. Purchase contract is simultaneously an outcome-based (the publisher focuses on the final outcome of his/her efforts and crosses the translator out of its gains and losses) and a wage (the translator receives the royalty disregarding the degree of the book's financial success) type of contract. It lowers the possibility of goal conflict, because both parties achieve what they seek (the translator receives the royalty and the publisher achieves the work's ownership). It makes information asymmetry less likely to occur since both parties get aware of the points necessary to be known by them (mentioned in the previous sentence). This type of contract is suitable for risk-averse translators and risk-neutral publishers.

5. In this case, the fact that the cooperation to take place necessitates the verification of the translation sample by the publisher indicates the publisher's role as the principal and the translator's role as the agent. Such a text leads to the same information to be shared by both parties (symmetrical information). Since the translator cannot claim to possess the skills and competencies s/he lacks and the publisher makes aware of the translator's real capacities, translation sample contributes to preventing the emergence of hidden action and hidden information respectively. Translation sample is helpful for the publishers who are risk-averse and prefer to know the translator's skills and abilities before making the contract. It is also helpful for those who suffer from uncertainty regarding the outcome of their investment in the book industry.

6. The emphasis on the type of the problem and the time of its occurrence indicates that they can be examined from the perspective of agency variables. The type of the problem refers to the first four types of agency variables while the time of its occurrence involves the last one.

7. This answer indicates that the existence of symmetrical information among the individuals involved is necessary for the process to be completed as it is intended.

8. This answer provides a new, positive dimension for the concept of goal conflict. The fact that goal conflict leads to the termination of the cooperation involves its negative dimension and this dimension has been discussed a lot. Such a new dimension, however, creates a positive character for the concept. This is something new which has never been pointed out by other figures.

9. These three basic risks involve different concepts of agency theory. The first one involves outcome uncertainty (the individual who spends time and money to distribute the translated version of a foreign book cannot be sure that the outcome of his/her efforts will enter the market before other publishers and his/her investment will have a successful outcome) and agency cost (the book to be published and distributed, whether before or after other publishers, entails a large number of various costs for the principal). The second one

involves agent-principal relationship (in this context, MCIG officials, particularly those responsible about examining the book and issuing the permission, play the principal's role and all the publishers working in the country that of the agent) and hidden information (MCIG officials mostly refuse to reveal the reasons for which a book fails to obtain such a permission). The last one involves goal conflict (the publisher and the receptor may seek different objectives for reading the book).

10. These four factors involve different concepts of agency theory. The first factor involves contract (to achieve the best possible result, the contract with the distributor should be outcome-based), moral hazard (the distributor's failure to follow the points mentioned in the contract affects the outcome of the publisher's efforts too severely), and outcome uncertainty (accepting the task, the distributor is most likely to be uncertain about whether s/he will get to sell all the books s/he has received). The second factor involves agent-principal relationship (the publisher, as the principal, determines the book's price and the distributor, as the agent, has to comply with his/her command) and goal conflict (the publisher keeps the price as high as possible for larger amounts of gains while the distributor seeks the lowest possible price in order to persuade the customer to purchase the book). The third factor involves agency variables (the social conditions dominating the society affect task programmability and length of agency relationship). Finally, the fourth factor involves agent-principal relationship (the advertiser, as the agent, has to follow the points and objectives sought by the publisher as the principal), information asymmetry (the advertiser, as well as any other individual involved in the process, must be aware of the book's main characteristics in order to advertise it in a better way), outcome uncertainty (if the publisher invests on the book's advertising, s/he cannot be sure that it will result in the high book sale), and agency cost (advertising includes some amounts paid by the principal to the agent responsible for it).

11. The fact that lack of trust among the parties can lead to the cooperation's termination challenges such an agency variable as task programmability. When the individuals involved in the process do not trust each other, they will fail to make plans for different stages of the process. This phenomenon affects the timing for the book production and distribution negatively and makes the publication company fail in competition with other publishers attempting to present the translated work to the target market.

12. Hidden information results in the information to be shared asymmetrically among the individuals involved in the process. Once again, information asymmetry in this context affects their decisions in terms of making plans for different stages of the process (task programmability) and leads to the delay in the distribution of the book in the target market.

13. Paper involves P-A relationship (the publisher, ordering the number of the papers to be purchased, is the principal and the paper seller is the agent), contract (since the paper seller sells the papers disregarding whether they are used or not, the type of the contract to be made will be a wage contract), risk sharing

(purchasing the papers, the publisher has to be risk-neutral since s/he cannot be sure about the ultimate number of the books to be sold), and outcome uncertainty (the publisher is not sure how many books will be sold). The work owner's copyright involves P-A relationship (the work owner is the principal and the company seeking his/her copyright is the agent), moral hazard (the publisher is not allowed to behave in a way contrary to the contract made with the work owner), and hidden action (the publisher cannot distribute the book without the work owner's permission or mentioning his/her information on the book cover). Printing and binding involve P-A relationship (both printer and binder, as the agents, should work in the way determined by the publisher, as the principal), contract (the contract made is a behavior-based one, because they bind and print the books with no regard for the results of the sales), and hidden action (they are not permitted to secretly bind and print more books than the number demanded by the publisher).

14. Since the participant provides no particular answer for this question, it involves no analysis as well.

15. The first phenomenon involves information asymmetry (poor translations are the result of the work owners' being unaware of the quality of the translations of their works) and risk sharing (poor translations caused by publishers' haste in work production is due to their risk-averse character). The second phenomenon involves P-A relationship (the publisher, as the principal, asks the translator to summarize the target text in order for it to be distributed in the market as immediately as possible; the translator is here the agent), information asymmetry (the translated text is summarized without informing its original producer), risk sharing (the publisher is unwilling to produce a good translation at the expense of delaying to distribute it in the market), and hidden action (this process goes on without making the original work producer aware of it). Finally, the third phenomenon involves risk sharing (the publisher is reluctant towards investing to hire several individuals to produce the translated version of a new book), outcome uncertainty (it is difficult for the publisher to invest in the production of the translated book whose success in the target market is not certain), and hidden action (such books are produced secretly).

16. The publication of fewer books and publishers' tendency towards selective publishing refers to their risk-averse character and uncertainty about the outcome of their investments.

Conclusion

Agent-principal relationship and hidden action are the main concepts of agency theory in the analysis of the Iranian industry of publishing translated works. P-A relationship refers to the publisher as the principal and all other individuals involved in the process as the agents. The publisher, in his/her turn, can be the agent of such other principals as the MCIG officials and the original work's producer. Hidden action includes two aspects in this context. It can be either internal (one or some of the individuals involved in the process keep some of their decisions

and actions hidden of the publisher) or external (book publication takes place without informing the work owner or, in light of multiple translations of the same book, other publishers).

Information asymmetry, risk sharing, and outcome uncertainty involve eight cases of analysis in the Iranian context of publishing translated works and occupy the second position. Information asymmetry is split into internal (among the individuals involved in the process, e.g. between the publisher and the translator) and external (between the publication company and other individuals closely related to it, e.g. the work owner) categories. Both publishers and other individuals involved in the process are mostly risk-averse in terms of their time, energy, and financial capital. Risk-neutral people are unlikely to be found. Outcome uncertainty affects the publisher and the individual investing in the book production more than all other individuals involved. After the publisher, it is the distributor who is most influenced by this concept.

Goal conflict occupies the next position with five cases of analysis. It is generally considered as a negative phenomenon which has awkward consequences for the process and should be avoided as much as possible. Purchase contract is the solution recommended by the participant for such a purpose. It is, however, an inevitable phenomenon in some cases, e.g. goal conflict between the publisher and the distributor or varying goals sought for reading a book by the publisher and the reader. The former can be considered as an internal goal conflict and the latter as an external one.

Contract and agency variables, each involving four cases of analysis, occupy the next position. Concerning outcome-based versus behavior-based contract typology, the participant regards the former as the best type in this context and supposes that it benefits all the individuals involved in the process. In terms of wage versus rent contract typology, she prefers once again the former and emphasizes its benefits for the translator. Purchase contract simultaneously belongs to these two types of contracts and can, therefore, be considered as the best type of contract in this context. Among the five types of agency variables, task programmability is the main type involved in this context. The task refers to the production of the translated text and its distribution in the market and programmability to the plans to be made for different stages of this process.

The next position is occupied by moral hazard and hidden information, each having three cases of analysis. Moral hazard takes place in the context in which no P-A relationship is applied. It basically occurs in the external relationship belonging to the publishing industry (the publisher and the work owner). Hidden information is a phenomenon which should be avoided as much as possible. Establishing no P-A relationship in the publication company and examining a translation sample at the beginning of the process are two helpful solutions in this regard.

Agency cost and moral hazard are two basic concepts of agency theory which include the least degree of manifestation in this context. Agency cost refers to the amounts which have to be paid by the publisher, as the principal, to the staff working for him/her, as the agents. These costs must be taken into account

when the plans for publishing a book are to be made. Since the publisher, before hiring any individual, ensures him/her to have the skills and capacities s/he has claimed to possess, moral hazard plays no role in this context.

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