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Application of Principal-Agent Theory to Security Sector Reform

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Abstract

The goal of this paper is to propose principal-agent theory (PAT), a methodology adapted from economics to analyse the relations of a buyer and a seller, as a possible tool for an SSR practitioners' assessment toolbox. The added value of PAT is its capacity to analyse the relationships between actors of the security sector based on observable, measurable and tangible mechanisms that the actors utilise in controlling, resisting, and allying with other actors. This capacity to analyse these relations has been sought out in both academic critiques of SSR and from practitioners themselves. This paper is an initial proposal on the added value of PAT, in addition to demonstrating how it could be used, gaps are also identified on how to potentially take this tool forward to aid the SSR community. [1]

1: Introduction

As security sector reform (SSR) is a relatively new field, there are gaps in the adoption of policy to practice.[2] To help fill this gap, practical conceptual tools can be developed to analyse the actors involved in the security sector, the process in which they interact, and the outcomes from those interactions as the reform processes is undertaken. The goal of this work is to put forward the potential added value of one tool to fill this gap: principal-agent theory (PAT). PAT is an economics based concept that observes the mechanisms involved in the interactions between a buyer (principal) and seller (agent). PAT has been adapted to the political realm predominantly in studies of the US Congressional system. This paper will take PAT out of the relatively stable US political system and apply it to the unstable political environment of fragile states. The potential added value of PAT is i) its use as a tool for mapping institutions of the security sector

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[1] This paper is a revision of the author's Master's thesis entitled "The Application of Principal-Agent Theory to Security Sector Reform in Fragile States". Geneva: IUHEID, (2008). The author would like to thank Thomas Biersteker for reviewing various drafts of this paper, and the insightful comments received from blind readers.

[2] Organization for Economic Cooperation and Development, Development Assistance Committee. OECD DAC Handbook on Security System Reform: Supporting Security and Justice. Paris : OECD, (2007). 23.

and assessing the capacity of the mechanisms they use to interact with each other; and ii) to establish indicators for reforms and methods to follow their progress. To explain the potential added value of applying PAT to SSR this work will begin by explaining how PAT can be applied to observing the security sector of fragile states. It will then outline previous PAT methodologies and how they can be incorporated into an analysis of SSR programmes.

To identify where PAT can be placed within SSR, first gaps in SSR must be identified. Despite criticism of SSR not being sufficiently context specific and too conceptual,[3] there are those SSR authors who feel that there are conceptual gaps in SSR as it was originally outlined. Gordon Peake and Eric Scheye contend that because SSR is a process, some of its goals are vague and make for bad indicators such as the need for political will and commitment.[4] Michael Brozka further emphasise the vagueness that hangs over SSR by stating:

> Currently, the security sector reform debate reflects a disparity characterized by a long list of general recommendations of what could and should be done, on one side, and a shorter list of concrete suggestions based on a thorough analysis of the problems in a particular post-conflict situation on the other side.[5]

A guiding document in SSR, the *OECD-DAC Handbook on Security Sector Reform*, also stresses the need to close the gap between concept and practice.[6] It outlines the analytical deficiency of SSR as follows:

> There is a need to develop more comprehensive approaches to assessment that result in the design of realistic and focused programmes that support partner countries. A more effective approach to monitoring, review and evaluation is also vital. Indicators are needed to track progress through the results chain from inputs, process, outputs and outcomes through to impact.[7]

Brozka adds to this outline by noting the difficulty that SSR programmes can face in evaluating state capacity when first approached by donors.[8] As a further caution to SSR, Charles Call, writing on police reform notes the inter-organizational relations involved in the police reform process.[9] In fact, his observation could be made more generally about the broader SSR process. Call states that,

> …implementing multi-faceted police reform efforts that necessarily cut across several *types* of institutions requires not only careful conceptual planning based on a sound diagnostic of the problems, but sensitivity and constant attention to inter-organizational relations and cooperation.[10]

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[3] Organization for Economic Cooperation and Development, Development Assistance Committee (2007). 24.

[4] Gordon Peake and Eric Scheye, "To Arrest Insecurity: Time for a Revisited Security Sector Reform Agenda," *Conflict, Security, and Development* 5, no 3 (2005): 295-327. 307.

[5] Michael Brozka, "Introduction: Criteria for Evaluating Post-Conflict Reconstruction and Security Sector Reform in Peace Support Operation," *International Peacekeeping* 13, no 1 (2006): 1-13. 4.

[6] Organization for Economic Cooperation and Development, Development Assistance Committee (2007). 1.

[7] Ibid. 23.

[8] Brozka, 6.

[9] Charles Call, "Challenges in Police Reform: Promoting Effectiveness and Accountability," *International Peace Academy Policy Report*. New York: IPI, (2003). 4.

[10] Ibid.

The importance of the relations between security sector actors undertaking reform is far from lost on the practitioner community. Indeed, most SSR guidelines and assessment toolkits will stress the importance of identifying, mapping, and analysing the institutions, both formal and informal, and stakeholders of the security sector. There are a number of thematic and national-level assessment tools that can be adapted to SSR that also stress these very same activities. Within the SSR community there is the *OECD-DAC Handbook* as previously mentioned, but also the United States Agency for International Development's (USAID) *Interagency Security Sector Assessment Framework* (ISSAF)[11], and the *Toolkit for Swedish SSR Assessment.* Where the *OECD-DAC Handbook* and ISSAF give general overviews of mapping and some good guiding questions, the Swedish Toolkit puts forward two specific guiding mechanisms for actor mapping. The first is a visual conflict mapping where actors are represented by circles of different size based on power regarding the specific contextual issue under examination.[12] The actor circles are connected by a variety of lines that represent the kind of relationships between actors which include close relationship, alliance, predominant direction of influence, informal links, a broken connection, or a conflict.[13] Although supplemented with issue boxes to explain the nature of the conflicting relationships, this mapping still has a gap of describing *how* the actors engage with each other. From a programmatic perspective this type of a mapping can help in understanding the political complexities that may be involved with SSR work, but it does not describe the capacities that actors have to engage in these relationships. Or, put another way, what are the specific tangible mechanisms that are being used in these relationships between institutions that SSR practitioners could help in building up capacities?

As noted, other tools make implicit the need to assess relevant sectoral actors and their relations ahead of programme development such as the Netherlands' *Stability Assessment Framework* (SAF) and *Strategic Governance and Corruption Assessment* (SGACA), the United Nations Development Programme's (UNDP) capacity assessment methodology, and the European Commission's tool on *Analysing and Addressing Governance in Sector Operations.* Both of the Dutch tools take large macro views of the state that a donor wishes to engage with including deep historical and geopolitical issues. From there they both move in to focus on sectoral institutions, - largely focusing on security institutions - and then set out to identify who holds positions of influence to both champion or block reforms efforts. In analysing institutions SAF puts forward two measurement criteria which are legitimacy and capacity of an institution to carry out its mandate.[14] SGACA focuses on 'rules of the game' in both the formal written word of the law, and then the much more dynamic informal rules of the game which traces political competition, institutionalisation, distributions of power, and state-society relations.[15] In both of these analysis, there is no structured way of observing institutions or rules of the game, but rather good guiding questions that give a fairly robust picture of institutional arrangements are provided in each.[16]

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[11] United States Department of State, United States Agency of International Development, United State Department of Defense. Guidance for the U.S. Government: Interagency Security Sector Assessment Framework. D.C.: DOS, (Draft, 2009).

[12] National Contact Group for Security Sector Reform, Swedish International Development Cooperation Agency, Swedish Defence College, Swedish National Police Board, Swedish Armed Forces, Folke Bernadotte Academy. Toolkit for Swedish SSR Assessment. Stockholm: SIDA, (Draft, 2008). 11-12.

[13] Ibid. 12.

[14] The Netherlands Ministry of Foreign Affairs, Human Rights and Peace Building Department Peace Building and Good Governance Division and The Netherlands Institute of International Relations 'Clingendael'. The Stability Assessment Framework: Designing integrated responses for security, governance and development. The Hauge: Ministry of Foreign Affairs, (2005). 36.

[15] The Netherlands Institute of International Relations, Conflict Research Unit. Framework for Strategic Governance And Corruption Analysis: Designing strategic responses towards good governance. The Hague: Clingendael, (2007). 10.

[16] Add guiding questions

As the name implies, UNDP's capacity assessment methodology directly addresses capacity by stating "It is the 'how' of making development work better".[17] Although this follows what PAT is trying to reveal in this work, UNDP's assessment of capacity focuses on internal institutional capacity. There are five functional and technical capacities which UNDP identifies. These are i) capacity to engage stakeholders, ii) capacity to assess a situation and define a vision and mandate, iii) capacity to formulate policies and strategies, iv) capacity to budget, manage and implement, and v) capacity to evaluate.[18] Although these are all relevant capacities to analyse and understand, save for the capacity to engage stakeholders, none of these criteria indicate how an institution is interacting with others. Even under the capacity to engage stakeholders, the variables are nebulous and do not highlight key mechanisms.[19] The UNDP methodology does in fact address institutional arrangements as a core issue of capacity. It states "Institutional arrangements refer to the policies, procedures and processes that countries have in place to legislate, plan and manage the execution of development, rule of law, measure change and such other functions of state".[20] However, beyond acknowledging this issue, the methodology does not go any further in establishing guidelines on how to actually assess institutional arrangements.

Finally, the European Commission's *Analysing and Addressing Governance in Sector Operations* actually does utilise PAT in assessing institutional arrangements. The European Commission identifies governance as a priority based on its touching "upon fundamental principles such as participation, inclusion, transparency and accountability. Promoting these principles at sector level helps, over time, to consolidate democracy, the rule of law and respect for human rights".[21] Further to this governance will establish sustainability in sector development and aid effectiveness.[22] This approach starts from a broad perspective just like the Dutch tools and also looks at the stakeholder level, but in between these levels there is governance and accountability relations between actors.[23] Just like SGACA, the goal is to learn the 'rules of the game' between actors. Based on PAT, the European Commission lays out four governance mechanisms that dictate relations. These are i) hierarchical governance, ii) patrimonial governance, iii) market-based governance, and iv) network governance.[24] These are divided into formal (patrimonial and market) and informal (patrimonial and network) governance mechanisms that are also arranged vertically (hierarchical and patrimonial) and horizontally (market and network)[25]. These mechanisms will often be mixed. However, once more, these four mechanisms are broad, and are not so much mechanisms as relationship types, much like the Swedish assessment tools. Although the European Commission does employ principle and agent terminology, actual tangible mechanisms are never delved into and thus programme design recommendations would lack specificity.

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[17] United Nations Development Programme. UNDP Practice Note: Capacity development. New York: UNDP, (2008). 4.

[18] Ibid. 13

[19] The variables for assessing the capacity to engage stakeholders are i) identify, motivate and mobilize stakeholders, ii) create partnerships and networks, iii) promote engagement of civil society and the private sector, iv) manage large group processes and open dialogue, v) mediate divergent interests, and iv) establish collaborative mechanisms. Ibid.

[20] Ibid. 11.

[21] European Commission, External Cooperation Programmes. "Analysing and Addressing Governance in Sector Operations", *Tools and Methods Series: Refrence Document No 4.* Brussles: European Commission, (2008). 5.

[22] Ibid.

[23] Ibid. 25.

[24] For a full description of each of these mechanisms please see the European Commission's Tools and Methods Series: Refrence Document 4, Annex 1. Ibid. 43-47.

[25] Ibid.

Thus, it is drawn from these criticisms of SSR's analytical capacity and the gaps of analysing tangible mechanisms as opposed to typologies or characteristics of institutional relations that exist in current assessment tools, that it appears appropriate to test a concept such as PAT, as it will be described in this work, to fill in these gaps.

The security sector involves a number of actors such as the military, police, judiciary, and non-state sanctioned security actors (i.e. rebels or mercenaries). The space allotted for this paper does not permit an analysis of all security sector actors. Therefore, the test case for applying PAT to SSR will be an examination of the relationship between the police of fragile states and the security sector actors that they interact with (including branches of government, other armed agents, and the public); this work will concretely assess the mechanisms these actors employ in their relations.

The choice of the police as a case study to evaluate the use of PAT in SSR is linked to the Webarian notion of the state monopoly on the legitimate use of force. Therefore the police are one of the manifestations of the state's use of force; in this case the use of force for domestic security and order. The police are also meant to be the representation of the use of force that most often engages with the general population. This means there is a unique relation between the public and the police as a representation of the state, as opposed to other branches of the government such as health or education departments, as the police can be one of the most protective or oppressive agents of the state. Given this amount of power, there is a desire to monopolise this use of force by actors other than the state. This can include criminal and terrorist networks, as well as the actors in the security sector themselves. In a fragile state this is possible as the capacity of the state "has been so eviscerated… its powers to regulate and control taken away so effectively, that it is not equal to the challenge of controlling those who seek to plunder society".[26] The police have the capability to attain such a position, unlike the health or education ministries, since they are already in control of the state's means of coercion (i.e. weapons sanctioned by the state).

2: Application of PAT to SSR

2.1 What PAT Offers:

Originating from the field of economics, at its most elementary levels, PAT is used to describe a dyadic relation between a buyer and a seller. The buyer creates a contract with the seller and has the funds to procure the seller's service of the service. Therefore the buyer wields the tools of funding and knowing the service they want done. The seller, on the other hand, possesses more knowledge about the service they are providing than the buyer does, and can thus steer the relationship to their favour and drive up the price. Thus, asymmetry of knowledge is the seller's tool in the relationship. Depending on wording of the contract, either the buyer or seller can use this to their advantage. PAT rests on the assumption that buyer and seller do not want a mutually beneficial outcome of the relationship, but would rather pay less or charge more than what the other is offering.[27] Already it becomes revealed that although the context of the relationship is

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[26] Marek Hessel and Ken Murphy, "Stealing the State and Everything Else: A Survey of Corruption in the Postcommunist World", *Transparency International Working Paper* 6. Berlin: TI, 2006. http://ww1.transparency.org/working_papers/hessel/index.html, (accessed January 16, 2007.)

[27] Amelia Rouse , Richard W. Waterman, and Robert Wright. "The Venues of Influence: A New Theory of Political Control of the Bureaucracy," *Journal of Public Administration Research and Theory* Vol 8, no 1 (1998): 13-38. 15.

important to understand, specific mechanisms can be analysed to see how each actor may influence the relationship.

In the adaptation of PAT to the political environment, the theory has been largely applied to the analyses of the US Congress and federal regulatory bodies as well to EU delegation, and the European Commission's system of governance analysis.[28] Using the standard dyadic economic model, principal institutions within the political environment such as the legislature and executive of a government wield the agenda of the state, while the agent institutions have been delegated authority to address a specific issue. However, as Mark A. Pollack outlines in his review of the theory, there is the possibility of 'bureaucratic drift' or 'slippage' whereby agent institutions may begin to establish their own agendas.[29] Pollack notes that slippage "occurs when the structure of delegation itself provides perverse incentives for the agent to behave in ways inimical to the preferences of the principals".[30] While this is in-line with the economic model, normative labeling and dominate-subordinate positioning occurs, whereby a bureaucracy is meant to be under the auspices of central government authority. Mathew D. McCubbins, Roger G. Noll, and Barry R. Weingast give a technical account for this slippage which can be generalised as motivations suggesting why this drift can occur. There can be private or political values at stake among decision-makers in the agent institution; there can be personal career objectives among the same group; and/or there can be a general desire of aversion towards recommended policies of the principals.[31] What is interesting to note is that McCubbins et al attribute corruption as an element which incites slippage.[32]

From the establishment of this relationship adapted from the economic model, the first form of the political PAT model, or what is also known as the *institutional* or *regulatory* principal-agent model[33], is created and can be demonstrated in Figure 1.

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[28] Mark J. Moran and Barry R. Weingast. "Bureaucracy Discretion or Congressional Control? Regulatory Policymaking by the Federal Trade Commission," *The Journal of Political Economy* 91, no 5 (1983): 765-800; Matthew D. McCubbins and Thomas Schwartz, "Congressional Oversight Overlooked: Police Patrols Versus Fire Alarms," *American Journal of Political Science* 28, no 1 (1984): 165-179; John T Scholz and Feng Heng Wei, "Regulatory Enforcement in a Federalist System," *The American Political Science Review* 80, no 4 (1986): 1249-1270; Matthew D. McCubbins, Roger D. Noll, and Barry R. Weingast, "Administrative Procedures as Instruments of Political Control," *Journal of Law, Economics, & Organization* 3, no 2 (1987): 243-277; Terry M. Moe, "An Assessment of the Positive Theory of 'Congressional Dominance'," *Legislative Studies Quarterly* 12, no 4 (1987): 475-520; Richard W. Waterman and Dan B. Wood "The Dynamics of Political Control of the Bureaucracy," *The American Political Science Review* 85, no 3 (1991): 801-828; Mark A. Pollack "Delegation, Agency, and Agenda Setting in the European Community," *International Organizations* 51, no 1. (1997): 99-134; European Commission (2008).
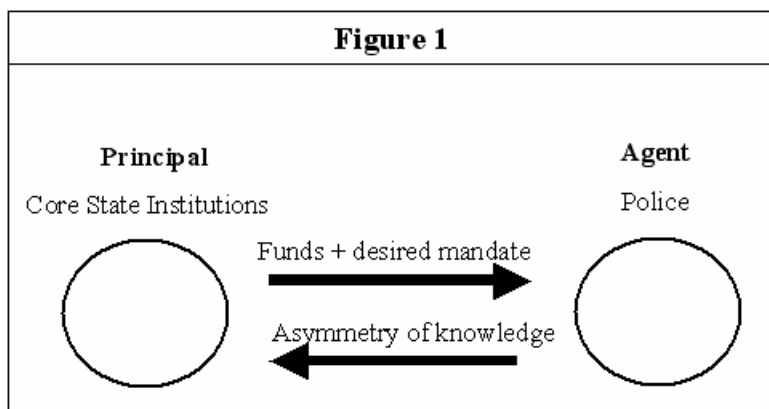[28] Moe. 478.
[29] Pollack. 108.
[30] Ibid.
[31] McCubbins, et al.. 247.
[32] Ibid.
[33] Kenneth J. Meier and Richard W. Waterman "Principal-Agent Models: an Expansion?" *Journal of Public Administration Research and Theory* 8 (2) (1998): 173-202. 175.

Figure 1

However, the dyadic model has come under vast scrutiny for its simplicity and normative stance. As Richard W. Waterman and Kenneth J. Meier outline,

> A simple dyadic principal-agent model is incapable of capturing this dynamic interaction between multiple principals and a set of bureaucratic agents. The basic principal-agent model does allow agents to have multiple principals but generally rules out any externalities. That is, principal A by hiring agent B does not infringe on the interests of principal C who also hires agent B.[34]

This is to say that the principals for the institutional model were first noted as commonly being the executive and legislature of a state. However, these two institutions do not always have the same goals in utilizing an agent. Furthermore, if the principal institutions are to be separated into their respective components, then they need to be expanded by including also the judiciary. This not only establishes the complex reality of multiple goals, but also establishes the active duty on the agent's side of having to choose between sometimes conflicting signals.[35] Terry M. Moe describes how this new dynamic plays out,

> These principals compete for influence over the agency – which, as a result, finds itself under cross pressures, forced to make compromises and trade-offs favoring some principals over others, and, in its own self-interest, attracted to strategies that play its principals off against one another. How much influence will any given principal have over the agency? That depends to no small extent upon how its resources, information, and incentives stack up against those of the other principals competing with it for influence.[36]

Figure 2 demonstrates the new complexity of this model.

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[34] Ibid. 178.
[35] Ibid. 179.
[36] Moe. 482.

Figure 2
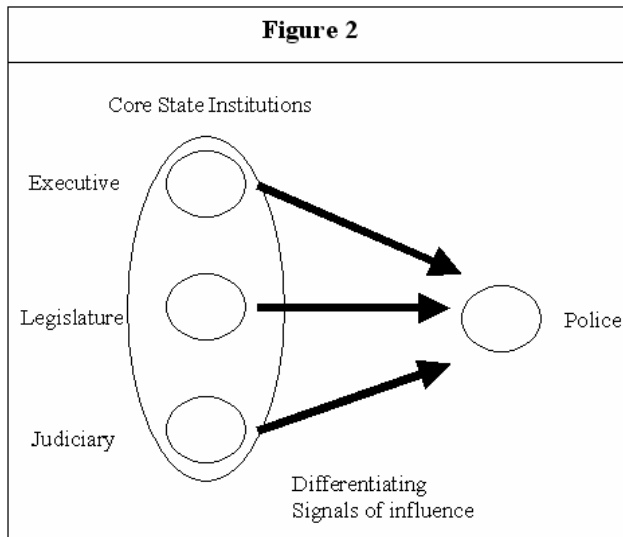
Influence, of course, does not emanate solely from the path of core state institutions. As has been emphasized above, there is a direct relationship between the police and the public. However, the influence of the public is typically viewed in a peripheral role by most institutional model authors. The public is meant to be a tool of the principals (mainly referring to legislators in the American examples). They are used as a 'fire alarm' to determine whether the agent is complying with principal mandates because the principals will largely ignore the work of the agent until the principal receives feedback from a constituency important to the principal and was affected by the agent.[37] This makes the use of the public reactive because principals will wait for the public to do something before reacting, hence a fire alarm.[38] Institutional authors state that the public's reactions are typically reserved for elections, save for a grave error of the agent that makes its way to the media.[39] The contextual adaptability of PAT becomes implemented and tested at this point. The models that PAT authors are observing are based on an industrialised democracy that is very or relatively stable. Placed into a fragile state the model needs to take a different perspective of the public. The relations between the public and the principals change as does the relationship between the public and the police. In a fragile state the public may not wait for an election, if there are elections at all, or the media, if there is free media, but may be inclined to protest, riot, and revolt overthrowing the government.[40] The capacity of an agent institution like the police to appease, or potentially suppress the public becomes of the utmost concern for core institutions. The core institutions may no longer be the only focus of the public's retribution. It is the public that gives the police legitimacy as a source of maintaining stability.[41] If the public does not feel that the police are legitimate they can turn to alternative sources of security.[42] This reconfiguration of the principal-agent-public relationship is demonstrated in figure 3.

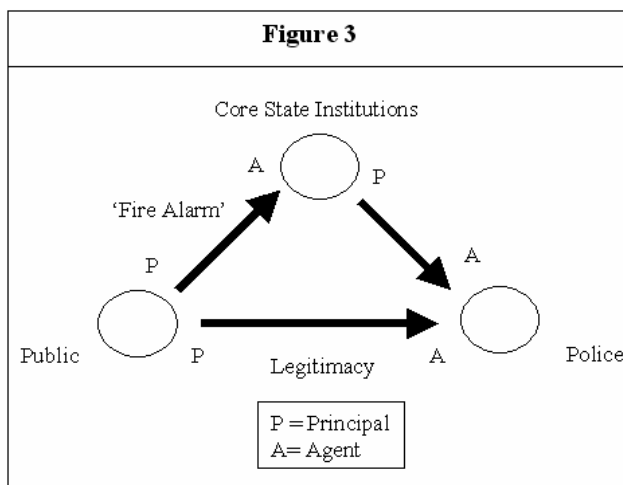---

[37] Ibid. 479.

[38] McCubbins et al.. 434.

[39] Meier and Waterman. 175.

[40] Andrew Goldsmith, "Policing Weak States: Citizen Safety and State Responsibility," *Policing and Society* 13, no 1 (2003): 3-21. 12.

[41] Ibid.. 9.

[42] Ibid.

Figure 3

Core State Institutions

A   P

'Fire Alarm'

P

A

Public   P   Legitimacy   A   Police

P = Principal
A = Agent

2.2 Security Sector Actors and Mechanisms:

PAT can be adapted to different contexts, but identifying actors for the particular scenario of the security sector in fragile states by expanding the model from its source is piecemeal and laborious. Instead of adding actors piece by piece to a model that is preordained in structure, it is best to take the actors that can already be identified in a context and then coordinate their relations. This can move PAT past the 'cookie-cutter' criticism that development writers and practitioners have of how the state ought to function and demonstrates that understanding state context takes priority, and that PAT is an additional tool to examine the process of interaction within that context.

To take a general account of the actors involved in the security sector of fragile states, the *OECD-DAC Handbook* is a useful guide. It employs a holistic view of security and uses the OECD-DAC definition of the security and justice system "as including all those institutions, groups, organizations and individuals – both state and non-state – that have a stake in security and justice provision".[43] There are four large overarching groups that security actors fall into according to the *OECD-DAC Handbook*, 'core security actors', 'management and oversight bodies', 'justice and the rule of law', and 'non-statutory security forces'.[44] An overview institutional mapping using PAT can be conducted to show how these different categories of actors attempt to influence the state's domestic use of force. This exercise will demonstrate how PAT moves past relationship types that other assessment tools generally highlight, and rather focuses on the specific mechanics of institutional relations.

The management and oversight bodies of the executive and legislature will have mechanisms that can alter the behavior or structure of the police such as budgets, appointments, legislation, oversight bodies, and organizational restructuring. These are broadly referred to as monitor ing and sanction capacities.[45] As McCubbins et al observe financial and time constraints in utilising these mechanisms in the United States[46], management and oversight bodies in fragile states will have far less capacity in their implementation. Next in the justice and rule of law category, the judiciary gives guidance and direction to the police in adhering to the rule of law through court

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[43] Organization for Economic Cooperation and Development, Development Assistance Committee (2007). 22.
[44] Ibid.
[45] Pollack. 110-111.
[46] McCubbins et al. 250.

rulings and reports.[47] These can be weak mechanisms that rely largely on the credibility of the court's influence and independence, which are both notoriously weak in fragile states. Other core security sector actors have their own means of coercion and logistics, which can often be greater than that of the police.[48] Other core security sector actors then in a fragile state environment can fill in the capacity void of the police to provide security and they can suppress the police should the police try to put up any resistance to them infringing on what is perceived to be police territory. Finally, non-statutory security actors can be a large category ranging from private security companies, to local militias, and finally to criminal networks. These actors can appeal to the public to annex territory from the police as an alternative security provider, or they can engage the police directly through illicit funds for bribery, or through private means of coercion to counter the police's state means of coercion. The public of course are an active player in the security sector as has been noted. As the arbiters of legitimacy they can invest their security in providers other than the police. The public can also influence management and oversight bodies to enact change through the ballot box or on the street.

The police in turn have a number of their own mechanisms that can be used to counter incursions. First, it should be emphasised that the police have access to the state means of coercion. This means the police have the capacity not only to avoid demands or to trick other actors, but they also have the ability to physically retaliate against actors that are exerting too much pressure on them or they can extort their own funds through crooked practices (i.e. road blocks and frivolous shake downs) to bribe oversight actors.[49]

Returning to the fundamentals of PAT, the agent will have more knowledge of the issue it is meant to address than the principal. As Pollack describes it, "In any principal-agent relationship, the agent is likely to have more information about itself than others have, making control or even evaluation by the principal difficult".[50] Moe observes that the agent can use this knowledge asymmetry to trick principal institutions like the executive and legislature into giving funding and skipping the threat of punishment for any misdeeds that might come to the attention of these institutions.[51]

As an additional mechanism for the police, institutional path dependency is often an overlooked mechanism in PAT and should be addressed. Paul Pierson puts forward the consequences of an institution becoming set in a pattern of rules or behaviour:

> … social adaptation to institutions drastically increases the cost of exit from existing arrangements. Rather than reflecting the benefits of institutionalized exchange, institutional continuity may reflect the rising costs over time of adopting previously available alternatives.[52]

He further states that "established institutions create powerful inducements which reinforce their own stability and further development".[53] Thus through path dependency, the tools for agent

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[47] Ibid. 245. Organization for Economic Cooperation and Development, Development Assistance Committee (2007). 164.

[48] Peake and Scheye. 305.

[49] Organization for Economic Cooperation and Development, Development Assistance Committee (2007). 120.

[50] Pollack 108.

[51] Moe. p. 487.

[52] Paul Pierson, "The limits of design: Explaining institutional origins and change," *Governance: An International Journal of Policy and Administration* 13, no 14 (2000): 475-499. p. 492.

[53] Ibid.

control are rendered further insufficient as an agent can be quite resistant to advances by the principals for change.

Finally, being the *de facto* state provider of security also works to the police's benefit. No matter the territorial gains by state-sanctioned and non-sanctioned security providers in taking up the domestic security role of the police, any government goal of reform would seek to reposition the police in more domestic territory. Thus, even with the public as bearers of legitimacy who may seek out alternate security providers for protection, the government once again will turn to the police to handle the majority of internal security.

2.3 Arrangement of Actors:

With all of the actors and mechanisms accounted for, a contextual mapping of relations between all the security sector actors is very confusing as the actors playing off of each other and continually rotating roles as to principal, agent, and rival to. Figure 4 demonstrates this complexity.

Figure 4
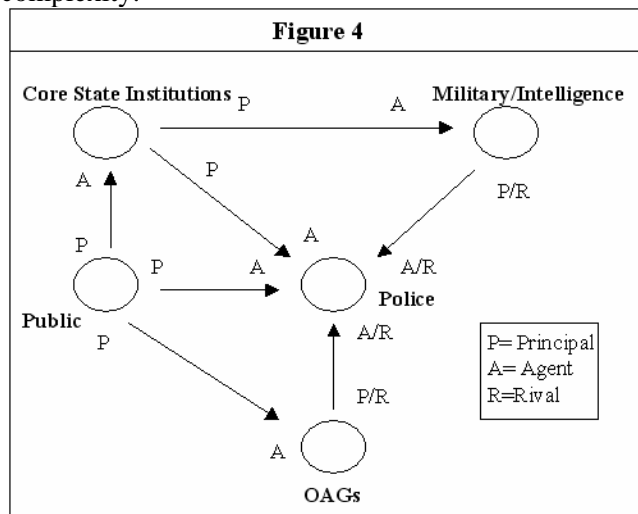
To organize the flow of relations and mechanisms, Amelia Rouse, Richard W. Waterman and Dan Wood's concept of 'venues of influence' can be helpful to organize the present information. They perceive that an agent does not treat principals as individual units, but rather types of units.[54] From this an agent will respond to a principal based on type and degree of influence such as political, legal or symbolic reactions. Rouse et al. use the analogy of a politician seeking votes and targeting specific messages to certain constituencies, especially if those constituents are of large importance.[55] From this concept the map of actors now gains structure while retaining the police as the point of focus. The relationships can now be examined for not just the mechanisms involved, but also to see which groups the police will put the most emphasis on in responding to and the selection of mechanisms it will use. For example if the public is shown to exert weak influence on the police despite being the arbiters of the legitimacy, the police may not use their full pressure to dissuade any grievances from the public. Likewise, despite the tools that the executive and legislature wield, if the police perceive these institutions to lack a sufficient capacity they may only make symbolic gestures to their threats. Of interest here for monitoring is how much the police will in turn strengthen their own resistance as institutional capacity

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[54] Rouse et al. 19.
[55] Ibid. 18.

strengthens. In arranging the actors listed from the *OECD DAC Handbook* there can be three categories of actors, 'Political/Legal', 'Armed Forces', and 'Public'. The former uncoordinated model now becomes coherent in Figure 5 and can be an effective PAT-based tool for assessing security sector actors. A visual structure is created with tangible mechanisms to identify for programme support in building up institutional capacity. There, PAT can complement the UNDP capacity assessment framework to give it a more robust institutional interaction section.

Figure 5				
Principal Type	**Principal Security Sector Actor**	**Principal Mechanisms**	**Agent Mechanisms**	
Political/ Legal	**Executive**	Appointments	State means of coercion	**Police (Agent)**
		Establish new training	Path dependent culture	
			Privileged access to information	
	Legislative	Legislate new rules/training and structure	Path dependent culture	
		Increase or diminish budget	Extort illicit funds	
		Oversight committees	Privileged access to information	
			Stat means of coercion	
	Judiciary	Law enforcer	State means of coercion	
		Judicial review	Bribery	
Armed Forces	**Military**	State means of coercion	State means of coercion	
		Greater capacity and logistics	De facto internal state security provider	
	Intelligence Service	State means of coercion	State means of coercion	
	OAGs	Appropriate territory from police	De facto internal state security provider	
		Private means of coercion	State means of coercion	
Public	**Public**	Provide legitimacy	State means of coercion	
		Utilize self-security or alternate security provider	De facto internal state security provider	
		Access to information	Access to information	

3: Proposed Hypotheses and Methodology

In this section two hypotheses are put forward on using PAT, along with the methodology for conducting research to test each one. In formulating the hypotheses, this work began with the question as to whether there was a methodology employable as a tool to analyse the relations between institutions in the security sector so as to offer something new and informative to the field of SSR. Thus, the two hypotheses attempt to demonstrate that PAT does in fact offer utility and something new by filling in the gap of a more precise analysis of how institutional interactions occur left by other assessment tools used in the field that focus more on the type and interaction of the political nature of interactions. The first hypothesis addresses the utility of PAT

in analyzing institutional relations while the second hypothesis attempts to demonstrate that PAT analysis can offer measurable outputs of reforms.

3.1 Hypothesis 1: Mapping of Institutional Relations

The gap between theory and practice in observing security sectors needs to be filled by operationalising theoretical models. There is a disparity between a westernized idea of how the security sector *ought* to look and function, and then there is the reality on the ground of how fragile state security sectors *are* structured and function. Having outlined, and added onto the institutional mechanisms prescribed by PAT, the first hypothesis proposes that the mechanism chart in Figure 5 be tested to determine whether there is a value added in observing institutional mechanisms to understand how the security sector in a fragile state functions. As PAT literature was blended with SSR literature, the standard deficiencies and strengths of fragile state institutions have been taken into account and modified. If this hypothesis is tested and is shown to be correct, then following the use of institutional mechanisms should help understand how institutions are negotiating and influencing each other, as well as which institutions will be the most powerful influencing the police, and how the police resist certain institutions. If this hypothesis is incorrect, then this means that institutional mechanisms do not aid in explaining why institutions act in certain ways, and that there might be too many outlying factors that also influence institutional behaviour. It could also mean that the wrong mechanisms or actors have been examined in this work.

3.2 Hypothesis 2: Measurable Outputs:

To demonstrate the utility of PAT, the mechanisms that have been outlined in the previous section would need to be shown that they can a) be measured, and b) demonstrate observable trends. Thus, PAT can fulfill the gap in SSR that has been highlighted by Scheye and Peake in that outputs should not be vague terms.

The results of testing the first hypothesis can produce four outcomes to determine if PAT offers new insight for the field of SSR. Outcome 1 would reveal that the mechanisms recommended by PAT have been implemented by the executive, legislative, and judicial branches of government, and that empirical evidence verifies that these mechanisms show positive results in reforming the police to follow the rule of law. Thus this would validate PAT. Outcome 2 would demonstrate that the mechanisms recommended by PAT have not been implemented and the empirical evidence shows that there has not been success in the police reform. This does not directly validate PAT, however it leaves room to argue that PAT methods might be helpful for success in future reform efforts. In outcome 3, PAT mechanisms would be shown to have been used, however this did not create success in reforms and thus this undermines the use of PAT in this area. Finally, outcome 4 would demonstrate that once again PAT mechanisms were not implemented; however, other techniques for reform were implemented and these produced positive results for police reform. This in turn would undermine the validity of PAT, however PAT would not be entirely dismissed as its mechanisms could have equally worked. Figure 6 demonstrates the matrix of results. Of course there is overlap between these outcomes.

Figure 6		
	Mechanisms	
Results	1) Used Verify	2) Not Used Verify
	3) Used Do Not Verify	4) Not Used Do Not Verify

3.3 Methodology of Hypothesis 1 and 2:

To establish a methodology to test the hypothesis it is prudent to review relevant PAT literature in order to show that a number of methods have been used to demonstrate institutional relations and

measurable outputs. There have been cross-qualitative and quantitative PAT studies conducted. Barry R. Weingast and Mark J. Moran's classic study of Congressional Oversight Committees' capacity to influence the Federal Trade Commission (FTC) is a clear example of trying to relate an independent variable of influence to a dependent variable of agency outputs. In this study Weingast and Moran investigate the change of FTC actions from an activist disposition between 1966 and 1976 to a more restrained disposition from 1977-1980.[56] They utilize a committee model to reflect the policy leanings of members of the Senate subcommittee that oversaw the FTC based on scores from Americans for Democratic Action ratings. After determining the change in attitude of the subcommittee towards the 1980's[57], Wiengast and Moran then compare this with outputs of the FTC to reveal that a restraint in FTC actions followed more conservative stances and threats towards the FTC.[58]   Wood and Waterman have also used time scaling analysis in their examination of several different federal agencies[59] during the Carter and Reagan administrations to "determine how political control occurs, as well as the relative importance of various political stimuli".[60] Wood and Waterman determined significant events in advance and then tested them against archival material and elite interviews that could explain the changes in bureaucratic outputs.[61] Finally they matched these events to outputs on a monthly time scale.[62] As useful of guidelines as these two studies are, Moe makes note of some shortcomings. He first counters their arguments empirically[63], but of critical importance here he critiques their methodology on three main points. First, he believed that Weingast and Moran do not well enough consider the effects of non-Congressional influences[64], implying that they do not break from the dyadic model. He then continues by pointing out their failure to factor in enough of a time lag between political changes and agency outputs[65]. Finally Moe notes the authors lumped many oversight bodies together[66], giving PAT practitioners a valuable caution as to the aggregation of interests. Despite Moe's warnings, the methodologies of Wiengast and Moran, and Wood and Waterman are useful structures to adapt. Time scaling in fact is used by SAF to track general large scale indicators matched against events[67].

To measure the second hypothesis, the major reforms that have been conducted on the police in a chosen case study would need to be outlined based on a review of available primary sources, such as laws passed and strategy papers, literature, and organizational reports. These reforms can then be categorized as either PAT-based or SSR-based. The PAT reforms are those focused on institutional restructuring, budgets, appointments, and strengthening democratic oversight. SSR reforms additionally promote democratic oversight, as well as training and

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[56] Moran and Weingast.

[57] Ibid. 783.

[58] Ibid. 791-792.

[59] Wood and Waterman examined the following agencies: The Equal Employment Opportunity Commission, The Federal Trade Commission, The Nuclear Regulatory Commission, The Food and Drug Administration, The National Highway Traffic Safety Administration, The Office of Surface Mining, and The Environmental Protection Agency. Wood and Waterman (1991).

[60] Ibid. 801.

[61] Ibid. 824.

[62] Ibid. 806.

[63] Moe. 506-513.

[64] Ibid. 507.

[65] Ibid. 508.

[66] Ibid. 509.

[67] SAF identifies 12 indicators that represent "internal social, economic, political, and military conditions of a state". The indicators are meant to demonstrate trends of state stability following the effects of major events that correspond to each indicator. The Netherlands Ministry of Foreign Affairs, Human Rights and Peace Building Department Peace Building and Good Governance Division and The Netherlands Institute of International Relations 'Clingendael'. 25-35

legislation. At the end of a study, trends and outputs would then be analysed based on literature, organization assessment reports, indices, and raw field surveys if possible.

4: Conclusion

This work was an initial scoping of PAT's feasibility in SSR; it envisioned the theory being displaced from its habitual use in typically stable political environments (like US federal politics and the European Union), to fragile states where institutions are very weak and focused on the police as an example application of analysis. The analysis highlighted tangible and observable ways to assess the relations of security sector institutions. Although SSR is highly political, an assessment of institutional relations cannot rest on questions regarding political dynamics alone. A focus on mechanisms can help guide practitioners in focusing on priority areas for capacity building. As this was a scoping study, there are still a number of methodological issues to overcome, which shall be addressed here and should be considered by any researchers or practitioners who wish to implement this methodology.

Firstly, further consideration should be placed on weighting the different inputs of mechanisms from different actors. Did a reform fail because of low capacity in Legislative oversight, or did it fail because of the strength of police path dependency or even the influence of organized crime? Thus, although the development of the institutional mechanisms chart was beneficial for mapping relations, to fully address Call's observation that a robust institutional mapping mechanism is required in SSR, a weighting system of institutional inputs needs to be developed. This will only enhance the added value of PAT.

These counterfactuals raise an additional issue for further expansion, which is accounting for *all* security sector actors. Although the mapping of actors in Figure 5 can be considered a good initial first step in this field, the mapping needs to be expanded in the directions of sub-categories and international actors. In the sub-category direction, categories such as 'Executive' need to be broken down as the President and Ministry of the Interior are different institutions. Further to this, floating semi-independent bodies such as the office of the Prosecutor General would need to taken into account in initial mappings. The police as well are not just one monolithic unit, but have many sub-units under the police directorate. Whether to analyse all the units of the police (or any other actor in the security sector) is a methodological question that needs to be addressed by future studies.

In regards to international actors, SSR is of course not a domestically self-contained process. In many cases, there is pressure by international actors for governments to push through reforms, or there can even be the appeal of joining larger international coalitions (i.e. EU, NATO) if reforms are conducted. Further, there is concern to take into consideration the influence of conflicting ideologies in reforming nations, such as African nations undergoing SSR that Western donors are giving one message on police reform, where-as donors with increased influence, like China are giving another message.

Once again the issue of weighing inputs to determine which reforms had the most effect on measurable outputs, or in fact, which measurable outputs are the best indicators to signify positive police reforms arises. A methodology for this measurement, along with accountability for external factors needs to be developed to conduct more accurate analysis. A possibility of not necessarily weighing inputs, but tracking influence would be a useful methodology like that of Waterman and Wood in their chronological matching of principal inputs to output indices and watching for changes in those indices. Moe's caution for time lags certainly needs to be taken into consideration and the effects of some reforms may not even be seen for years such as new

training methodologies which may only be effective after a large enough turn over in the police force.

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