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Competing principal agent models: A framework for accountability

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Background

- Democratic accountability in public services is a theme of long standing interest
- The recent election of 41 Police and Crime Commissioners (PCCs) in England and Wales in November 2012 represents a novel and potentially significant development aimed at strengthening local democratic accountability of the police.



Background

- Analysing the workings of the new institution is of interest to both academics and actors in the wider community safety and criminal justice services



Comparative institutions: US prosecutors and judges

- Most American states elect their chief prosecutor and judges
- There is convincing evidence that elections affect their behaviour
- All judges get tougher in sentencing before contested elections (Shepherd, 2009)
- Prosecutors strategy changes



Comparative institutions: US prosecutors and judges

- Affects mix of courtroom trials and plea bargains (Bandyopadhyay and McCannon, 2013 and 2014, Gordon and Huber, 2002)
- Data from North Carolina shows increased use of courtroom as percent of cases taken to trial increases



Comparative institutions: US prosecutors and judges

- Case backlogs increase even when more cases are dismissed
- Prosecution of 'difficult' cases (e.g. sexual offending) go down
- Thus, democratising the criminal justice system comes at a cost



What does that tell us about PCCs?

- Worry about elections leading to shift towards ‘visible policing’
- Possible neglect of national priorities or covert operations e.g. counter terrorism
- Low turnout worsens the problem-a vocal minority may unduly influence policy



What does that tell us about PCCs?

- Yet with greater awareness of voters, such elections may well foster more responsiveness to public concerns (Besley and Coate, 2000) via ‘issue unbundling’



Our research agenda

- To develop a model of PCCs that captures the key strategic elements of the main players
- ‘Solve’ the model to develop a set of predictions that can be tested empirically
- Do an econometric (statistical) analysis based on the first 4 years and in particular the run up to the next election



Framework (model without the maths!!)

- The three strategic players are : PCC , Chief constable and voter
- Acting as a constraint is the strategic policing requirement
- The baseline for such analysis is the Principal Agent (PA) model



Framework (model without the maths!!)

- In the classic P-A framework, a single ‘principal’ sets tasks for an ‘agent’ who, because of her specialist knowledge, is likely to have better knowledge of the requirements of those tasks than the ‘principal’
- The challenge for the ‘principal’ is to ensure that the ‘agent’ behaves in a way that best serves the principal’s purposes and interests



Framework (model without the maths!!)

- To this end, the ‘principal’ is likely to apply some incentive mechanisms to try and align the ‘agent’s’ behaviour with their own expectations
- The PCC framework does not quite fit as there are two linked relationships



Framework (model without the maths!!)

- PCC acting as agent of voter
- Chief constable acting as an agent of the PCC
- It is reasonable to assume that voters have less 'crime intelligence' than PCCs and (in most cases) PCCs know less than their chief constables
- In its structure this is similar to analysis of hierarchical structure in Tirole (1986)



Framework (model without the maths!!)

- Vertical structure is a three layered hierarchy
- Principal/supervisor/agent
- Tirole analyses situations in which there is collusion between supervisor and agent
- In Tirole Supervisor has no management or production activity
- This is not the case for PCCs where their management skills may affect 'output'



Framework (model without the maths!!)

- Several possible tensions between PCC and voter
- Here we focus on one: alignment with chief constable



Alignment comes with experience: the trade-offs that face a voter

- PCCs come with different levels of police experience
- The more the level of police experience the better is s/he able to monitor the chief constable and this affects performance (less chance of slack)
- This is good for voters



Alignment comes with experience: the trade-offs that face a voter

- However, more police experience also makes the PCC more sympathetic with the police
- If there is no conflict with policing priorities and voter priorities, this is not an issue
- However, in the realistic case that voters and police priorities don't coincide there is a trade-off
- Experienced (in policing) PCCs can deliver policies more efficiently



Alignment comes with experience: the trade-offs that face a voter

- Yet this brings with it the risk of PCCs forming a coalition with chief constables to pursue an agenda that does not coincide with voters objectives
- Note, this crucially depends on voters knowing less about the 'state of the world' than PCCs and chief constables



Alignment comes with experience: the trade-offs that face a voter

- Thus, ‘aligned’ PCCs may not be the best as they can collude with chief constables to manipulate information e.g. overstate terrorist threat to shirk on tackling what they consider ‘low level’ local disturbance



Alignment comes with experience: the trade-offs that face a voter

- Completely misaligned PCCs are unlikely to be good either as their lack of knowledge can lead to their being misled by the chief constable
- Thus, there is an optimal level of alignment
- Empirically this can be scrutinised by looking at what sort of PCCs (background) best serve the voter by looking at how PCC experience correlates with voter satisfaction on how PCCs carry out their priorities



The 'inevitable' electoral cycle?

- Most PCCs will be neither fully aligned nor completely non aligned
- A number of them will stand for re-election
- Models of electoral cycles (see Nordhaus, 1975; Rogoff, 1990) posit that behaviour changes as the election approaches
- Now behaviour could change for various reason so we need to have 'nice' control groups



The 'inevitable' electoral cycle?

- One can of course look at those PCCs who don't stand for re-election as a comparator group, as standing for re-election is itself determined by performance we may be comparing high and low performers which may not be a valid comparison
- The third electoral cycle would be interesting as we would have term limited PCCs and non-term limited PCCs (i.e. those who have only been elected once) and behaviour in these two groups can be compared



The 'inevitable' electoral cycle?

- Till then, within PCCs we can compare those facing tough elections to those who are not keeping in mind that facing contestants may well depend on performance
- We will do so by analysing their policy initiatives, public profiles, visibility and communication strategies with voters/local communities and their representatives



Conclusion

- PCCs represent one of the most sweeping change in the governance of policing, one sees 41 separate, but linked, experiments simultaneously unfolding
- How the balance is struck between professional police policy positions (led by the chief constable) on crime and policing on the one hand, and community-rooted political priorities as identified and favoured by the PCC on the other is fascinating area of research



Conclusion

- Understanding how this balance changes with the run up to the next election will be worth watching!



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