
INTRODUCTION

Many of us would find it difficult to imagine a police car with commercial advertising on its sides. The practice would strike some as preposterous, an affront to the dignity of the police service. At the end of 2006, we asked a senior Australian police officer if this could ever happen in her country. “Never say never” was her reply.

This book is about the dramatic transformation in police management that is occurring at the beginning of the twenty first century. The change is astonishing. In some jurisdictions, to commence an investigation, or to introduce a crime prevention project, requires one to present a ‘business case’. A senior Singapore police officer recently mused that he was as much a businessman as a policeman, and suggested, not entirely metaphorically, that the Singapore Police might one day be listed on the Stock Exchange. He predicted a bull run.

There was a time, not that long ago, when policing in English-speaking democracies was very different from what it is today. It was done almost exclusively by career public employees, known commonly, if not universally, as ‘police.’ They tended to join the ranks at a relatively early age (the late teens in some places) and after a brief period of instruction and physical training at a police academy, to learn their craft on the job. Most knew that if they kept out of trouble and didn’t make waves, they had a job for life, and would be able to retire on a pension after a period of service ranging from twenty to forty years. Their chief executives, usually called ‘commissioners’, ‘chief constables’ or simply ‘chiefs,’ enjoyed quasi-judicial independence. In most places, the organisations in which they served enjoyed ample, or at least sufficient, resources. When special needs

arose, they were able to obtain supplementary appropriations from grateful and generous governments.

It was not always thus, nor is it now. The police as we know them did not exist before the creation of the London Metropolitan Police in 1829. Prior to that time, policing was done by volunteers, or by commercial organisations. In frontier settings or during periods of significant civil unrest, the military too played a role. This “mixed economy” of policing (absent significant military involvement) enjoyed a renaissance after World War II, and became very noticeable by about 1980. The growth of the private security sector has continued unabated since it first began to attract attention a quarter-century ago.

This booming market in private security was, and remains, indicative of an increasing public demand for more security services and the state’s inability and/or unwillingness to allocate taxpayers’ funds for their provision (Garland 2002; Zedner 2003). Regardless of objective security needs, many citizens, communities and institutions are prepared to spend their own money on services previously delivered by government. They speak with their cheque-books. At the same time, the abundant resources to which police had become accustomed have begun to dry up. Police agencies themselves are being called upon to be more resourceful – to achieve more with less. This book is about the way in which public police agencies have sought to meet this challenge.

THE POSTWAR TRANSFORMATION

At the end of the 1960s, when social scientists began to turn their attention to policing as an institution worthy of analysis, the challenges facing police were different from those prevailing in years past.

The baby boomers born at the end of World War II came of age beginning in 1960, and, as is typical of males between the ages of fifteen and twenty-five, started to generate work for police. The long boom and increasing material abundance in Western industrial societies were accompanied by a profusion of consumer goods that were easily stolen and resold.

Resources were less of a problem in those days, as governments were fairly generous with police. The challenges faced by police in the

1970s had less to do with financial and material resources and more to do with legitimacy. Traditional institutions of authority were being called into question in settings as diverse as China and France. In the United States, the civil rights movement intensified, and the racism and abusive practices of many police officers began to attract increasing attention and condemnation. Confrontations between police and antiwar demonstrators during the Vietnam War years severely strained the legitimacy of police in the eyes of many young people. The use of illicit drugs increased as well, creating yet another axis of conflict between police and youth.

In the shadow of these events, developments were in train that would contribute to dramatic changes in policing. Economists and ideologues were hard at work. Once marginal economic thinkers such as Hayek and Friedman began to attract the attention of influential conservative politicians. Those with instinctive aversions to ‘big government’ were captivated with ideas that the state should withdraw from many of its traditional roles and leave them for market forces to deliver.

And so began the revolution in public administration that was summarized by the term “managerialism” (Freiberg 2005). Its more extreme advocates suggested that government agencies should shed everything other than their core business. Greater cost efficiency would become the paramount value for those remaining functions that were to be performed by public employees, and the processes to achieve this were to mimic those of business. Government agencies were urged to recover the costs of their services wherever possible. Citizens were to be regarded, and sometimes referred to, as “customers.”

At first, it was thought that public law enforcement agencies might be spared the scrutiny being directed at other public sector institutions. Margaret Thatcher is quoted as having said “Never, ever, have you heard me say we will economise on law and order” (quoted in Leishman et al. 1995: 26). But this was not the case. It became apparent that an increase in police resources did not translate automatically into a reduction in crime rates. Although conservative governments had been traditionally solicitous of police and inclined to bestow generous powers and resources on them, they did not excuse police from the imperatives of managerialism. The Thatcher

government in the United Kingdom was one of the first anywhere to demand value for money in policing.

The relentless fiscal pressures faced by police could not be ignored. So it was not long before police too became subject to fiscal discipline, corporate planning, and the full panoply of business thinking. Despite the brave new world of managerialism, the path to greater efficiency and effectiveness in policing had some familiar landmarks. Achieving more with less meant reliance on some time-honoured strategies. These “old friends” as well as some less familiar means of resource enhancement newly adopted for the purpose are the subject of this book.

The revolution that has characterised policing in western industrial societies over the past quarter of a century has received a great deal of attention. Perhaps the best overview to date is provided by Bayley and Shearing (2001), who refer to the ‘multilateralisation’ of policing. By this they mean the proliferation of organisational forms relating to who authorises policing and who actually performs the police function.

This proliferation may be explained by a combination of factors. On the one hand, there is unprecedented demand on traditional public police organisations. The challenge is compounded by the traditional insularity and inflexibility of police organisations, some of which have been slow to adapt to their changing environment (Davids and Hancock 1998).

At the same time, what we have come to know for the past three decades as the ‘fiscal crisis of the state’ (O’Connor 1973) means that governments are disinclined to spend taxpayers’ monies unless impelled by political survival. Indeed, across a number of policy domains, governments have been encouraging their publics to assume greater responsibility for their affairs. In Australia, retirement income and health insurance are two domains in which governments of both sides of politics have consciously sought to shift the burden back to the private individual. It is no longer novel to suggest that criminal justice is immune to this trend. The apposite if awkward term ‘responsibilisation’ has been used in the context of crime prevention (Garland 1996; O’Malley and Palmer 1996). Thus one sees increasing investment in residential alarm systems, motor vehicle engine immobilisers, and a burgeoning private security industry.

EXCHANGE RELATIONSHIPS AND THE POLICE

Police have long prided themselves on their competency and self-sufficiency, but they rarely operate in a vacuum. They interact with a wide variety of external institutions and individuals operating in private commercial and nonprofit capacities, and with other public sector bodies. These interactions are themselves diverse. One way of classifying them would envisage a continuum of engagement ranging from the most coercive to the least coercive. But it would help to simplify this. The eminent historian Natalie Zemon Davis (2000) refers to three basic relational modes of exchange: *coercion*, *sale* and *gift*.

Let us look first at *coercion*. Elsewhere, one of us has used the term conscription to refer to the process by which the state commands commercial organisations to engage in certain actions in furtherance of law enforcement (Grabosky 1995). Perhaps the most prominent of these are cash transaction reporting requirements, where banks and other defined entities are required by law to report transactions over a particular threshold, or those of a suspicious nature regardless of their amount, to law enforcement authorities. Similar requirements are imposed on specified professionals in the case of suspected child abuse and neglect, and on second hand goods dealers and pawnbrokers. We have already begun to see the conscription of Internet Service Providers in some jurisdictions in certain circumstances.

Next, we can see the *commercial exchange* of goods and services. This is nothing new to public police organisations, which, since their establishment in the nineteenth century, have purchased commodities from pencils, to means of transport, to weaponry. What *is* new is the growing tendency on the part of police organisations to purchase services that might otherwise have been provided from their own ranks. By way of illustration, the first person whom one encounters upon entering the headquarters of the Australian Federal Police in Canberra is a private security guard. Of course, the new challenges facing public police organisations may require specialised expertise which may not always reside within police ranks: skills relating to information technology, for example. And circumstances may arise where outside assistance may be required for a short period. For instance, the New South Wales Police engaged specialised expertise

relating to the prevention of credit card fraud during the Sydney 2000 Olympics.

And police also have products to sell. Most commonly, we see them charging for their services in what are commonly referred to as ‘user-pays’ or ‘fee-for-service’ policing. They may also charge for the use of their logo, or for providing technical advice to film and television producers. They may sell police-related products.

The third mode of exchange is the donation or *gift*. By this we mean private sponsorship of public policing. It can entail the giving of cash grants, or the provision of complimentary goods and services to the police organisation, usually in return for acknowledgment or recognition. Voluntary assistance to police is included. Gift giving to police is more familiar in the United States and South Africa, relatively uncommon in Australia, and unheard of, if not prohibited by law, in many other places. But if current trends continue, it may well take on greater importance in more jurisdictions around the world.

In discussing these various strategies of resource enhancement, this book addresses a number of questions of fundamental importance in contemporary policing. The first relates to how successfully police use these exchange relationships to enhance their resource base in an era of chronic and enduring fiscal restraint. Do these relationships serve their intended purpose? The second relates to the nature of risks that might accompany reliance upon these relationships. Specifically, how far can these exchanges be taken before certain fundamental values, such as equity in the distribution of policing, cost-effectiveness in the delivery of police services, and legitimacy of the police institution, are placed in jeopardy?

FUNDAMENTAL VALUES

The three fundamental values that underpin our analysis are equity, cost-effectiveness, and legitimacy. The three are not unrelated. By *equity* we mean a basic equality in the delivery of policing services, commensurate with the objective needs of the citizen-customer. The issue is more complicated than it may at first blush appear, since citizens can vary substantially in terms of both their objective needs and their subjective judgment. Some people are extreme risk takers.

Others have an aversion to authority. These people may prefer that police pay less attention to them. Some residents of Australian indigenous communities, despite experiencing crime rates much, much, higher than the national average, complain that they are over-policed. By contrast, other citizens are risk averse, or their life circumstances are such that their objective likelihood of criminal victimization is relatively low. Nevertheless, these people still may place great value on the reassurance provided by a visible police presence in their neighbourhood. Some citizens may feel a taxpayer's sense of entitlement to immediate police attendance in response to a call for service for a relatively trivial matter. One of the great challenges facing police today is to distribute their finite resources in a manner that attends to objective needs and balances this with attention to subjective needs.

Such management of finite resources requires a certain degree of attention to *cost-effectiveness* or the extent to which the police organisation achieves its goals and at what price. Another way of putting this is 'value-for-money'. Of course, public expectations of police are diverse, and in some cases, inconsistent. Moreover, the public may favour inefficient outcomes: a generally visible police presence may be preferred by residents in a relatively crime-free neighbourhood, but the most productive allocation of finite police resources might involve targeting crime hot spots elsewhere.

We embrace Sunshine and Tyler's (2003: 514) definition of *legitimacy* as "a property of an authority or institution that leads people to feel that that authority or institution is entitled to be deferred to and obeyed." The legitimacy of police is manifest in a variety of forms, including the citizen's willingness to comply with the law, report crimes or provide information about suspicious behaviour. Legitimacy may be instinctive, but it may not be immutable. Perceptions that police are disrespectful, or are favouring one constituency over another, or are squandering their limited resources on wasteful or unnecessary activities can erode general perceptions of legitimacy. If police are perceived to be neglecting some citizens while delivering gold-plated service to others, legitimacy may suffer.

One can see that the three core values are inextricably interrelated, and are enormously relevant to the three modes of exchange that are the subject of this book. We will see in Chapter 3 that coercive measures may enhance efficiency in policing, but may be administered in a discriminatory manner that serves to erode the legitimacy of the police institution. Chapter 5 will show that user-pays or fee-for-service policing may be an important strategy to control excess consumption of policing services. One would nevertheless like to be reassured that this would free police resources to attend to the needs of those constituents who may not be able to afford policing services on a quasi-commercial basis. And when police organisations are the beneficiaries of private largesse, does this create the impression that donors are entitled to a better degree of service than ordinary taxpayers?

One can see from this brief introduction that managing exchange relationships in a manner that delivers equity and value for money, while preserving the legitimacy of the police organisation, is a formidable challenge. A proper balance of these fundamental values should result in effective service provision.

PURPOSE OF THE BOOK

The purpose of this book is not to discuss what an ideal institutional configuration or ‘system’ of protection should look like. Rather it is, first, to explore the means of resource enhancement now being employed by police and, second, to begin to develop a framework for analysing the balance of advantage in those circumstances where there is a mix of public and private interests. The basic questions are *who pays* and *who benefits*. At its most basic, one can think of three interests that might be served by some combination of police–private interface: the interest of the private actor, that of the police, and that of the general public. Our concern is to discourage circumstances in which the first two of these interests benefit at the expense of the third. For instance, as we will see in Chapter 5, some police agencies may engage in fee-for-service or cost recovery activities. In some circumstances, this is done in a strictly regulated and highly accountable manner. At the other extreme, however, revenue enhancement can be less formal, and take the form of organisational corruption or

extortion. Where cost recovery or outright profiteering becomes the goal of police work, it occurs at the expense of the public interest and the legitimacy of the law enforcement agency itself.

There are circumstances in which the public police organisation, a private actor or institution and the general public might all benefit from a given configuration of exchange relationships. When the promoter of a concert is required to engage police on a fee-for-service basis, the event may be safer, and ultimately more profitable. The police recover some of the costs of their deployment. Concertgoers may be more secure, and the local economy may benefit as a result. We might call this a win-win-win or 'trifecta'. Whatever the mode of exchange, this should be our goal.

We are also concerned to develop a theory that will explain the interrelationship of various modes of engagement between police and external institutions. Do the three types of exchange relations occur together, or do they vary inversely with one another? In other words, is a police organisation that is reliant on cost recovery less likely to use coercive methods? Is one that actively solicits contributions and sponsorship less likely to charge for its services? Or is the behaviour of exchange relationships idiosyncratic?

PLAN OF THE BOOK

This introductory chapter has outlined the basic dimensions of exchange involving police organisations, and the fundamental values that should guide the conduct of public police agencies in the modern era. Chapter 2 briefly surveys resource flows within police agencies, in particular the principles that guide decision-making about resource acquisition and allocation and how those principles interact.

Subsequent chapters address each of the basic forms of exchange that can enhance resources, but also threaten these fundamental values. Chapter 3 discusses coercion, and reviews the many ways in which police may command information or cooperation from members of the public. It also discusses how public law enforcement agencies may commandeer or confiscate property.

Chapters 4 and 5 discuss police as buyers and sellers, respectively, of goods and services. Readers may be surprised at the degree of

commercialism that characterizes contemporary public policing. Arguably unique to the contemporary era is the degree to which police engage in merchandising. When J. Edgar Hoover transformed the U.S. Federal Bureau of Investigation into an iconic organisation, it was political, not financial, capital that he sought to generate. In the fullness of time, other law enforcement agencies realized that their brand was worth something, and began to assert their brand ownership.

The final mode of exchange, the subject of Chapter 6, is that of gift. One does not immediately think of police as recipients of private largesse. But they receive many gifts in cash and in kind from individuals and from businesses. There are many benefits that can accrue from accepting such gifts, not least of which is an enhanced ability to meet demand for policing services. But there can also be risks in relying too much on the munificence of others.

Chapter 7 addresses an issue long apparent to observers of exchange relationships: basic relationships of exchange rarely exist in their pure form. Relations are often hybrid in nature. Davis's (2000) typology of coercion, sale, and gift, while conceptually distinct, may not be so clearly visible in the real world. Indeed, Davis herself concedes that the three forms of exchange may overlap or interact in certain circumstances. Chapter 7 looks at various combinations of exchange relationships – coercion/commerce; gift/commerce; coercion/gift – and concludes that the line separating them is often blurred.

The concluding chapter, Chapter 8, summarizes the thrust of the preceding chapters, in the process reaffirming the principles that should underlie exchange relationships in contemporary policing. We consider some of the implications that can be drawn from the evidence we have placed before the reader about the nature of public policing today. Some thought is also given to theories that might explain how the three modes of public/private exchange interrelate in practice.

A half-century ago, one had a pretty good idea of what the future of policing might look like. This is proving to be wrong. We are not bold enough to suggest where policing will be fifty years hence, but we can offer some indications, and some suggestions about how to negotiate the uncharted terrain that lies ahead.