

Chapter 13

Private Security Actors, Donors and SSR

Peter Wilson

Introduction

There are two distinct elements to any discussion of the role of the private sector in Security Sector Reform (SSR). The first is to see the private sector as a target for reform, and in particular to develop a country's ability to regulate and control the security activities of the private sector. The second is to understand the positive contribution that the private sector can make as implementers of reform, in particular in providing training and advisory services to governments and donors. In this regard, it is important to distinguish between 'internal' and 'external' private sector actors, both of which in different ways have significant implications for democratic security sector governance.

In order to examine both the positive and negative roles of the private sector in security governance we need to tackle some underlying issues that have become problematic for all aspects of donor-supported reform in developing countries. Almost all reform practitioners acknowledge the essential role of local ownership and the need for sensitivity to the local political and cultural context. But if we are serious about this, what role is there for outsiders? Can anything useful be said in general about 'reform' and are there any principles that can be applied globally, or must everything be country-specific? Can donors and other external actors be flexible and knowledgeable enough to contribute to locally-driven reform?¹

This paper aims to apply these general questions to the issue of how to regulate the private sector and also to the question of how the private sector can help implement reform. It focuses mainly on the latter question, that is, the role of 'external' private sector actors, and in particular on the shortcomings that donors and governments have in harnessing the potentially positive contribution of the private sector. It then assesses these issues from the perspective of security governance and concludes with a number of recommendations drawn from this analysis.

The Private Sector as a Target for Security Sector Reform

SSR advocates have long espoused the basic principle that donors should not aim to impose their own security sector blueprints or doctrine on other countries. In general, donors should restrict themselves to facilitating the discussions of local actors and supporting the implementation of locally-made decisions.² This approach has been justified by fundamental ideas of self-determination³ but also for pragmatic reasons – external consultants rarely know enough about the local political situation to make sensible recommendations, and solutions that have been devised externally will struggle to achieve local buy-in and proper implementation.⁴

Good SSR practitioners have stuck to this principle even in those fields, such as policing and military reform, where there is broad consensus on the proper roles of a police force or army and extensive international experience in regulation, legislation and oversight. The *process* of local analysis, consultation and debate is seen as an important factor in embedding reform and encouraging democratic ways of working, even when the eventual solutions look similar to those adopted elsewhere.

If such a self-limiting approach by donors has proved valuable in the relatively mature fields of police and military reform, it will prove even more important in the immature and contested field of regulation of private security actors. Attitudes to the private sector's role in providing security are highly political, morally-charged and emotional, and often rest on culturally-specific attitudes to the right and wrong reasons for individuals to exert force over others.⁵ Whilst we may feel distaste towards people who exert force in return for money, exerting force for the sake of ideology or power does not have a very honourable history in many countries either. In this context there is no global consensus on the 'correct' role of the private sector in security provision and certainly no standard technocratic solution to questions of regulation and control.⁶

Any debate on the proper role of the private sector in a country has to be rooted in local security concerns and conducted by legitimate local institutions. In particular, it is impossible to distinguish between the positive and negative uses of private security until you have some consensus on the threats the nation faces, the security capabilities that will be needed to counter those threats, and the links between security sector reform and wider development. Creating a space for private security companies may have some negative outcomes but may be the only way to fill a capability gap or attract the foreign investors who could underpin economic development. Or regulation of private security may be considered useful but of relatively low

priority for a government with more pressing concerns⁷ and limited capability to create and enforce legislation and oversight.⁸ Deciding how to balance these trade-offs is a fundamentally political decision and cannot be made solely by theoretical discussion of the *possible* negative impacts of the private sector or by over-reliance on evidence from other countries at different stages of development.

SSR practitioners in most developing countries have until now rightly not focused on the specifics of private sector regulation, but have worked instead on the more fundamental issues that could underpin local decisions:

- Does the nation have a clear vision for its future and understand the potential security threats to that vision?
- What security capabilities will be required to manage those threats? What are the gaps between current and required capabilities? Is it realistic to assume that the state can fill these gaps without external or private sector support?
- Do legitimate and competent institutions exist to debate and decide these issues?
- Do agencies exist which can competently prepare and enforce legislation and regulation?

In the countries that are most in need of SSR, the answer to these questions is often ‘no’. There is a danger in jumping ahead to the technical complexities and controversies of private sector regulation and adding yet another topic to the growing list of subjects to be covered by SSR, regardless of a country’s ability to enforce what is ultimately decided.⁹ Instead there is a *generic* requirement to develop local institutions that can fill the governance gap and which can then develop private sector regulation as one of the many issues they have to tackle.

The Private Sector as an Aid to Security Sector Reform

The private sector is already heavily involved in providing research, training and consultancy services to donors and governments on security sector reform. ‘Traditional’ Private Military Companies (PMCs) and Private Security Companies (PSCs) are certainly entering the sector. But we should not forget the array of academics, NGOs and individual consultants (often with an operational background in security) who operate under commercial terms and who currently dominate the field.

It is sometimes argued that the ‘private sector’ (used in this case to mean only PSCs and PMCs) has ‘captured’ SSR in its own interest and in particular has promoted a military-centric approach¹⁰. But this ignores the fact that the real private sector is full of different consultancies offering a variety of individuals with different backgrounds and different approaches who could contribute positively to SSR. If it is only private military and security companies that have so far been attracted to the table, this may be because donors and governments have not yet created demand for the other, subtler forms of private sector consultancy that could contribute to SSR. We discuss some of the possible reasons for this below. There is also often an unspoken assumption that private companies are bad, NGOs and academics are good, but as we argue below they are all subject to the same incentives and it is difficult to argue a priori that one part of the sector is ‘better’ than another.¹¹

What defines PMCs, PSCs, academics and NGOs as private sector is that they are employed on a contract basis rather than as permanent employees of a government or donor. We can therefore simplify the debate on the role of the private sector in supporting SSR to the easier question of ‘do consultants operating under contract have the right incentives and management arrangements to support SSR effectively?’

In particular the fundamental question for a government or donor seeking to employ an outsider, whether it be a PSC, a university department, an NGO or an individual, is whether it is possible to manage the consultant in a way that delivers the desired results. In particular, is it possible to write an arms-length commercial contract that will secure the right outcomes and be sufficiently robust to weather changes in the operating conditions and political situation?

This problem is not unique to SSR and indeed has become a fundamental question in economics. Contracts are finite documents that cannot possibly envisage all eventualities¹². In particular, contracts cannot exercise the sort of nuanced management of behaviour that can be implemented *within* an organisation, where employees are motivated not only by payment for performing a specific task but also by a desire to be promoted and respected within the organisation. Disputes or under-performance within an organisation are rarely settled by legal action but rather by day-to-day management and oversight, training and incentives for improvement. Many economists understand an organisation as a means of bringing in-house those people who cannot be managed by contract and who need a subtler set of controls and incentives.¹³

The decision on whether to use a permanent employee or an outsider is therefore an important one. Outsiders bring diversity, flexibility and spe-

cific skills, but using a contract as a method to manage them is very much a blunt instrument. The more intangible and subtle the task, the harder it is to write a contract that adequately captures and rewards what you want the outsider to do.

We would not want to exclude all outsourcing simply because contracts are difficult to write, and there is much we can do to improve the quality of contractual arrangements. Whilst contracts can never be perfect, they will be improved if the desired outcomes can be defined precisely and if it can be clearly observed whether or not they have been fulfilled. Ultimately, in case of dispute over payment, it is helpful if these can be so precise and clear that they can be determined in a court of law. Sadly, it is precisely these twin criteria of *definability* and *observability* that are so problematic in SSR and make contracting for SSR so difficult.

Definability

It is common to sit in seminars and listen to long lists of SSR activities that have been undertaken in a given country. ‘Workshops’¹⁴ have been held, legislation has been passed and committees have been formed. But people rarely talk about the fundamental indicators of whether all this activity has been successful – despite all the SSR activity in Jamaica¹⁵ it continues to have the highest per capita murder rate in the world¹⁶ (OSAC, 2006) and despite the fact that we often hold up Sierra Leone as a model of SSR success,¹⁷ it still languishes at second-from-bottom of the UN Human Development Index (UNDP, 2005). In management consultancy jargon, we are measuring outputs not outcomes.

SSR practitioners will argue that these high-level measures are unfair criteria by which to judge an SSR programme. SSR is a long-term activity that may not produce immediate results and SSR is only one factor that can influence the level of crime or the overall level of human development. But this is precisely the problem in contracting for SSR. No sane person in the private sector would agree to be paid in 10 years’ time for outcomes over which they have at best partial control. But the alternative is to pay for short-term outputs that may or not eventually contribute to our ultimate desired outcomes or, even worse, to pay a daily fee to someone simply for their time (which means we are now paying for inputs, not outcomes or even outputs).

What is needed are some intermediate measures that are not limited to measuring the number of workshops held but are not so high-level and long-term as to be outside of the SSR practitioners’ immediate influence. The lack of such measures has been the subject of a recent general criticism of SSR¹⁸,

but filling the gap will be especially important if we seek to continue to use the private sector to deliver reform.

As Peake and Scheye point out, the problem of lack of measures is caused by a more fundamental lack of conceptual clarity about what SSR is for. There is a high level of agreement that a good society would be characterised by human security, economic opportunity and a high level of autonomy¹⁹ and a sense that these elements are related. But often this is no more than a list of good things with little understanding of how exactly they are related or how they might be achieved. At the other end of the spectrum we believe, based on our experience in the developed world, that good governance or human security might be helped by legislation or committees or institutions, but again with little clarity about how our specific activities to develop these will ultimately contribute to the desired high-level objectives. In short, perhaps because SSR is such a young discipline, there is as yet no real cause-and-effect narrative of how our practical activities lead over time to a genuine change in welfare.²⁰

How, then, do we define and communicate what we want from the private sector? If we have proved incapable so far of writing it down in a policy document or academic paper, what chance do we have of writing it down in a contract in a way that might be understood by a procurement department or a commercial court?

Observability

The second problem is one of observability. Even if we could clearly define the outcomes we required, could we practically observe whether or not they have been achieved?

There are some basic problems about observability in SSR. Does a donor sitting in his headquarters have any way of monitoring the activities of a consultant in a far-flung police outpost? If a task is not achieved, can the failure be attributed to the consultant or to one of the many factors outside their control, such as local capacity or local politics? Can the donor be well-informed enough about the local situation to distinguish between excuses for failure and genuine mitigating factors?

There is a particular problem in measuring the important questions of transfer of knowledge and development of local ownership. What matters in SSR is not that a consultant achieves a task but that he develops the capability of a local person to do so. Style and tone are important,²¹ and the consultant needs to be a mentor not a do-er. Sadly, SSR practitioners often find that it is easier and faster to do a task than to mentor someone else to do it, and if

their contract is paying them by the basic tasks they complete then they have every incentive not to waste time on mentoring.

Problems of definability, observability and overall evaluation are rife in the development world and are of course not restricted to SSR or the use of the private sector. In 2000 a World Bank Report stated '...despite the billions of dollars spent on development assistance each year, there is still very little known about the actual impact of projects on the poor'.²² Whilst efforts are being made to improve evaluation of development activities, there is as yet no clear answer on how to do it properly and even some resistance to doing detailed evaluation because of a potential negative impact on political support for overseas development.²³

SSR is likely to be one of the most difficult fields in which to conduct proper evaluation. The traditional development challenge of producing and measuring economic growth or poverty alleviation is, if anything, relatively simple compared to the task of producing and measuring human security, and is at least backed up by decades of rigorous economic research and the ability to attach some numbers to income or economic activity. So whilst we should certainly work to improve our understanding of cause and effect in SSR and aim to develop some useful measures, there is unlikely to be a magic bullet which will solve the problems of definability and observability very soon. In the meantime we must find other ways to overcome the limitations of contracts for managing tasks that will always contain some intangible elements.

Filling the Gaps in Contracts

The private sector is full of examples of companies outsourcing ill-defined or unobservable tasks. A major corporation might employ a management consultancy to 'change corporate culture' or 'introduce innovation' with no particularly reliable way of measuring whether the programme has been successful. However the methods that companies use to overcome incomplete contracts – by creating 'trusting, long-term relationships' and developing 'a reputation and in-house style' – are not yet well-developed in the field of SSR and in some cases are specifically excluded by policy or legislation.

In the commercial world, clients will typically develop a 'trusting, long-term relationship' with their consultants.²⁴ Project plans and activities will be amended in real-time, as client and consultant learn about weaknesses in the initial project design or respond to changing conditions. Consultants are content to respond to these changes, and indeed will seek regular reviews with the client because they hope that bonuses, reputation and future

contracts with the client will result. There is huge flexibility on exactly how a set of outcomes is delivered, and the client will often be a senior individual with the power to set payments and offer further work.

This flexibility is all but ruled out in the world of SSR donors. Procurement 'good practice' and regulations such as the EU's Official Journal of the European Union (OJEU) rules deliberately distance the people who award and administer contracts from the donor specialists who oversee the project. Contracts are awarded on spuriously objective grounds which allow little room for personal judgement, real-time renegotiation, performance bonuses or rewards for flexibility. It is no surprise that donor desk officers spend much of their time breaking projects up into small chunks so that they will not come under the OJEU rules and be handed over to the procurement department. They rightly do not want to set in stone one single large contract which might then be awarded on the wrong criteria by people who do not know the subject. Such a contract then proves extremely difficult to change or break if the design or the consultant selection proves to be wrong or the circumstances change.

The linear procurement process of analysis followed by project design followed by contract allocation followed by implementation followed by review may be right for general government procurement of hardware or infrastructure but, as we have argued, is not right for the subtleties of SSR consultancy and has no similarity with how the best private companies manage their procurement for these type of services. Worse, it underpins a general linear approach to SSR projects which is already being criticised for failing to deliver effective reform. An OECD-DAC meeting to draft SSR implementation guidelines, which took place in Ghana in December 2005,²⁵ expressed widespread dissatisfaction with SSR programmes which committed to large-scale, long-term projects on the basis of a short scoping study and which had little flexibility to deviate from the initial project design. It was felt that the sort of subtle political and cultural insights required for effective SSR could not be captured in a short self-contained report at the beginning of a project and instead would only be achieved by a trial-and-error approach of observing the results of project activities, learning from the client and becoming embedded in the culture and politics of the host nation.²⁶ The meeting therefore recommended an experimental approach which would put more weight on the insights that the project management staff developed over time and would allow them to respond to what they had learnt by changing the project design, and would see the initial scoping study as merely a set of initial ideas and hypotheses that needed to be tested against reality.

Clearly if we are to adopt such an iterative, experimental approach and involve the private sector in implementing it, we will have to become far more flexible in our procurement systems. We will also need to assess the value of learning and relationship-building when assessing the outcomes of specific activities – it is quite possible that some activities will have little or no immediate development impact but will instead contribute to the preparation of more sophisticated and effective future programmes. Host and donor governments will need to understand and agree to what is an unconventional approach for civil servants, and constant communication will be required to ensure that the programme changes being made are acceptable and based on strong evidence. Officials will need to start accepting the language of uncertainty and resist the temptation to seek rapid results, particularly in post-conflict environments where there is understandable pressure for instant stabilisation.²⁷

The second way in which the wider private sector manages the contracting of intangible tasks is by consultancies developing a ‘reputation and in-house style’. When a large corporation employs the management consultancy McKinsey, it knows that they will deliver a different approach from Accenture or KPMG. A client does not have to write in a contract exactly the way he wants a project to be delivered because he knows broadly what approach each consultancy will adopt. The consultancy has a strong incentive to develop a unique house style, and instil it in all their consultants, because it offers an alternative to competing against similar competitors solely on the basis of who has the lowest fees.

The economic eco-system of different consultancies offering different approaches to SSR²⁸ is under-developed. There are some individuals and institutions whose work is known and who have developed their own approaches, but there are many more individual consultants coming to the field who may have operational security experience but who lack a track record in consulting or development. If they are not associated with an institution, or if they are associated with a consultancy which manages the logistics of their deployment but not the substance of what they do, then there is little way of knowing how they will perform and little way of monitoring their activities.

The existing PMCs, PSCs and other consultancies who would be well-placed to build distinctive house-styles, develop their own SSR doctrine, and provide training for newcomers to the field are tentative about what resources they should allocate to SSR.²⁹ They can achieve higher daily fees and, as argued above, deal with more sophisticated customers by using their security knowledge for the benefit of corporate clients rather than donors. A commitment from donors to more flexible procurement practices and more

engagement with the private sector during policy discussions and programme design phases would do much to convince companies to allocate some resources to the field and reassure them that donors were working to overcome the current market failures in SSR.

Security Governance and the Private Sector

What do these various failures and gaps mean for security governance in developing countries? There is no doubt that private sector actors will rush to fill the gaps in security provision created by a disfunctional state and in particular will respond to demand from individuals, companies, donors and NGOs for security that the state is unwilling or unable to provide. Such private sector actors may exploit holes in regulation and control, and in an unregulated environment unethical companies may rapidly dominate the market at the expense of more responsible competitors. But such private security activity should be seen primarily as a symptom of state failure rather than a cause. The weak state has a generic challenge to secure a monopoly over the exercise of force – seizing the initiative from the private sector but also more pressingly from militias and criminal gangs. We should not jump ahead to the technicalities of private sector regulation until we have legitimate bodies that can debate the underlying political and security issues and until we have state agencies that can enforce regulation and, most importantly, meet the demand for effective security. To try to suppress the private sector before a legitimate and effective state alternative has been created is to risk opening the field entirely to wholly illegitimate criminal actors.

These pressing tasks need to be supported by donors who are flexible, responsive to the local context³⁰, and who have a clear understanding of how their practical activities contribute to overall development objectives. There is a general push for donors to become better at these questions, and the private sector could contribute to this by bringing a wider range of country and subject experts, experience from change management in other fields and a diversity of approaches. But none of this will happen if reform practice is determined by procurement rules rather than vice versa. Involving the private sector in reform before we have the systems to reward an experimental, non-linear, locally-responsive approach simply risks reinforcing the rigidities and failures of current donor practice.

Conclusions

The current emphasis on developing generic solutions to problems of private sector regulation may be misplaced if they ignore the prime role for local analysis and discussion. The higher priority is to develop the local institutions that can devise and implement their own reforms. Such institutions need to go back to first principles and ask:

- What are the security needs of individuals, companies and institutions?
- Why are they not being met by the state? Where is the state abusing its power?
- What security roles could legitimately be played by the private sector and what should become or remain a monopoly of the state?
- What capabilities will we need to develop in order to deliver effective regulation and control of all non-state actors?
- What capabilities will we need to develop in order to deliver effective security?

There may also be an important positive role for the private sector in supporting SSR. In order to manage this potential contribution, donors will need to develop a more precise description of the outcomes they expect from SSR and will need to be more flexible about the means by which they are achieved. Such improvements are already being discussed in the general approach to SSR but will be particularly important if we wish outsourcing to be effective. Donors could also contribute to a wider eco-system of suppliers by encouraging the involvement of experts from other fields, clarifying the likely demand for SSR services and analysing the weak points of their current contract and procurement arrangements. Too often, an open conversation with the private sector to discuss these issues is prevented because donors see the sector as part of the problem and not part of the solution. Instead of generic labels of 'private sector', 'PMC' and 'PSC', donors and governments need to identify the specific activities that they wish to encourage and the specific activities they wish to control.

In return, the private sector needs to offer distinctive house-styles and the development of doctrine and training rather than just act as 'body-shops' for consultants with operational security experience but no developmental track record.

Notes

- ¹ Nathan, L. 2006. 'Operationalising the Principle of Local Ownership in Security Sector Reform'. (Forthcoming)
- ² Nathan, L., 'Let Local Actors Take The Lead' Background paper for the War-torn Societies Project/International Peace Academy Peacebuilding Forum Conference, New York City, 7 October 2004.
- ³ 'Processes of participation have to be understood as constitutive parts of the ends of development in themselves.' (Sen, 2000)
- ⁴ Evans, P., 'Development as Institutional Change: The Pitfalls of Monocropping and the Potentials of Deliberation' *Studies in Comparative International Development*, vol. 38, no. 4 (2004): 30–52.
- ⁵ Percy, S., 'Morality and Regulation' in *From Mercenaries to Market: The Rise and Regulation of Private Military Companies*, Chesterman, S. and Lehnardt, C. (eds) (Forthcoming 2007).
- ⁶ E.g. 'It was pointed out that these were not new issues. The problems relating to the regulation of PMCs had been around a long time. But the fact that they were still being discussed indicated the difficulty of choosing the means of national regulation, and of enforcing existing international law.' 'Private Military Companies: A Legal Vacuum?' a summary of discussion at the International Law Programme Discussion Group at Chatham House on 16 March 2005.
< <http://www.chathamhouse.org.uk/pdf/research/il/ILP160305.pdf>>
- ⁷ 'While [SSR] may have grown in width it has not grown in depth...Lists of actual or possible activities falling under SSR have become long..., often drawn up for development donor organisations by consultants with academic background. While recommendations are generally commensurate, there is little indication as to what to do first under particular circumstances. In fact, there is a general stress on the importance of comprehensive and consistent programmes, which obviously places a great burden on those actually planning SSR activities. There is little guidance on priorities for activities in much of the thinking on SSR so far.' Brzoska, M., 'Development Donors and the Concept of Security Sector Reform' *DCAF Occasional Paper* no.4 (2003).
- ⁸ Nathan, L., 'Obstacles to Security Sector Reform in New Democracies', *Journal of Security Sector Management*, vol. 2, no. 3 (September 2004).
- ⁹ E.g. "It was generally agreed that there was no vacuum in international law. The problems were ones of enforcement of the law, control and accountability, and of establishing an effective chain of command. How can the activities of PMCs and their employees be properly controlled in a situation where the courts of the State in which they are operating are often not functioning...?" Chatham House, op.cit.
- ¹⁰ Leander, A., 'Privatizing the Politics of Protection: The Authority of Military Companies' in *The Politics of Protection: Sites of Insecurity and Political Agency*, Dobson, A., Raia, P. and Huysmans J. (eds) (London and New York: Routledge, Forthcoming).
- ¹¹ For an economic analysis of NGO incentives and a literature review see Meyer, C., 'Opportunism and NGOs: Entrepreneurship and Green North-South Transfers' *World Development*, vol. 23, no. 8 (1995): 1277–1289.
- ¹² 'People are limited in their ability to observe and to process information. Contracts among individuals and institutions are therefore limited in length and may fail to address all of

the different contingencies that may arise. This incompleteness can lead to inefficiency in the contractual outcome, as evidenced by legal disputes or costly renegotiation.' Krasa, S., and Williams, S., 'Limited Observability as a Constraint in Contract Design', Working Paper 12 (October 2001). <http://www.business.uiuc.edu/Working_Papers/papers/01-0128.pdf>

¹³ E.g. Hart, O., *Firms, Contracts and Financial Structure*. (Oxford: Oxford University Press, 1995).

¹⁴ The comedian Alexei Sayle says that anyone who works in a workshop who isn't employed in light engineering should be shot.

¹⁵ E.g. Stone, C., Miller, J. et al, 'Supporting Security, Justice and Development, Lessons for a New Era', report for the UK Department for International Development. (New York: Vera Institute of Justice, 2005) <<http://www.dfid.gov.uk/pubs/files/security-justice-development.pdf>>

¹⁶ Overseas Security Advisory Council, 'Kingston, Jamaica: 2006 Crime and Safety Report'. 7 April 2006. <<http://www.osac.gov/Reports/report.cfm?contentID=44728>>

¹⁷ E.g. 'The UK is working with a number of Africa partners on SSR projects of varying scales. Our largest commitment is in Sierra Leone where we provide for and lead the International Military Advisory Training Team (IMATT) at a cost of around £15 million a year. IMATT are developing the Republic of Sierra Leone armed forces into an accountable, self-sustaining, and professional force for Sierra Leone. In parallel with IMATT, we are also funding projects to develop the Sierra Leone police force and advocate the rule of law.' Foreign and Commonwealth Office website, accessed on 4 May 2006 at <<http://www.fco.gov.uk/servlet/Servlet?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1094236372310>>

¹⁸ Peake, G. and Scheye, E., 'To Arrest Insecurity: Time for a Revised Security Sector Reform Agenda' *Conflict, Security & Development*, vol.5, no. 3 (2005).

¹⁹ E.g. Sen, A., *Development as Freedom*. (New York: Anchor, 2000).

²⁰ This problem is not unique to SSR and is also beginning to be considered in economic development. For example Evans (2004) says; 'Our theories of how fundamental institutional change occurs are underdeveloped. The interaction of ideas, presumed behavioural repertoires, cultural assumptions, and organizational forms are complicated enough, but a theory of institutional change must also address political power and conflict. Hence, it is not surprising that an institutional approach may produce perverse results when processed through a policy paradigm committed to perceiving development as a 'technical' problem.'

²¹ As Graham Thompson, Security Sector Reform Adviser at DFID, puts it: 'It ain't what you do, it's the way that you do it.'

²² Baker, J., 'Evaluating the Impact of Development Projects on Poverty: A Handbook for Practitioners, Directions in Development'. (Washington: World Bank, 2000).

²³ When an OECD-DAC Aid Effectiveness meeting was presented with a proposal to conduct country-level assessments of aid effectiveness, the meeting report recorded that; '...some members, however, considered the proposal overly ambitious and urged a degree of caution. The main issues raised concerned: the lack of visible demand from partner countries, and a potential disconnect from their needs; the political risks involved in this initiative, including the possibility that its results might 'backfire' affecting the image of ODA negatively; the challenge of getting partners to accept the role of possibly being put 'under the spotlight'; the evaluability problem inherent in the study and more particularly

the difficulty of counterfactuals; the study's cost implications; the dangers of a comparative analysis of different aid modalities and donor programmes." DAC Network on Development Evaluation. 'Summary Record Of The Second Meeting', 9-10 November 2004. <<http://www.oecd.org/dataoecd/secure/63/0/33991789.pdf>>

²⁴ The Nobel-Prize winning Economist Kenneth Arrow says that '...virtually every commercial transaction has within itself an element of trust'. Arrow, K., 'Gifts and Exchanges', *Philosophy and Public Affairs*, vol. 1, no. 4: 343–362.

²⁵ Report forthcoming

²⁶ Effectively the meeting was arguing that successful SSR required the *tacit* knowledge of practitioners based in the country more than it needed the *explicit* knowledge of visiting analysts.

²⁷ One senior UK military officer (in private conversation with the author) says of post-conflict activity: 'if you plan for it to be quick, it will be slow'.

²⁸ In such an immature field we should not yet be talking about best practice, but instead different organisations trying different approaches to crack some enduring problems.

²⁹ Private conversations with the author.

³⁰ Nathan emphasises that this is far from simple or uncontroversial – it is particularly challenging to encourage local ownership in bodies which may lack legitimacy and capability and do not have a service delivery mindset. However he argues strongly that the alternative of imposing external solutions is likely to be even worse. See Nathan, 'Operationalising the Principle of Local Ownership in Security Sector Reform', *op. cit.*