Can Bureaucracy Dodge Bullets? Examining Blame Attribution in Military Contracting

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ABSTRACT
The increased outsourcing of national security endeavors to private military companies (PMC) raises questions concerning public evaluations of their performance and the extent to which government officials are held accountable. We use a survey experiment to test public blame attribution associated with a failed military operation that was conducted by either regular or private military personnel. Our findings suggest that the influence of performance on blame attribution can only come into focus after considering clarity-of-responsibility. Furthermore, our findings suggest that contracting out military functions to a PMC can damage perceptions of performance, perhaps increasing blame attribution by the public. These impacts on the attribution of blame suggest that PMCs are viewed as inferior service providers by the mass public and politicians will be held accountable, directly or indirectly. Implications from our study add to the discussion on the outsourcing of military capacities which are rapidly expanding in the Western world.

Key Words: Military Contracting; Blame Attribution; Survey Experiment; Bureaucratic Politics; Foreign Policy.

Word Count: 8,002
Introduction

The use of Private Military Companies (hereafter “PMCs”) has become pervasive in conflicts around the world (Avant 2005). During the 2\textsuperscript{nd} Gulf War, it is estimated that at the height of the “surge” in Iraq, roughly half of all U.S. personnel involved in the conflict were PMC employees, amounting to more than 160,000 contractors (Singer 2007a). This phenomenon is hardly unique to the U.S. (Mandel 2002; Singer 2002), nor is this industry new. The use of military contractors has existed since antiquity, but the use of these professionals had fallen strongly out of favor in recent centuries in light of their relative inefficiencies when compared to a citizen army (Avant 2000; Machiavelli 2010). However, military contractors have made a resurgence on the battlefield as Western militaries have transitioned into purely professional organizations, which are composed of volunteers. This second wave of military privatization begs numerous questions from a political perspective. The classical Machiavellian critique about relative efficiency is of course still a concern in military contracting (Tkach 2013), but the political equation for government incumbents has become more complicated since the time of the Renaissance. Autocracies have been displaced by liberal democracies in the West and this naturally places a greater emphasis on the importance of public opinion for purposes of reelection. Military performance is a very salient and sensitive topic in the world, especially with respect to high-profile mistakes and military casualties (Eichenberg 2005; Gartner and Segura 1998; Gelpi et al. 2009).

Countries go to great lengths to mitigate negative audience costs associated with military difficulties. In the Russian Federation, the government is able to conceal casualty reports in peace time for purposes that are deemed relevant to national security (BBC 2015). Similarly, the United States does not report military contractor losses as official casualties. In fact, the true death toll of PMC contractors from the recent occupations of Iraq and Afghanistan is still an unknown quantity for this reason (Singer 2007a). However, the death of American military contractors is not a secret and even made headlines with the death and subsequent mutilation of four Blackwater employees in Fallujah (Singer 2007b).
Ultimately, it is up to private companies to decide if they will disclose any incidents. It is important to note that most employees of PMCs are not “guns for hire.” PMCs provide services in a variety of areas, such as transportation, maintenance, training, and, of course, security (Singer 2003). Nevertheless, an important question arises with the use of PMCs in conflict zones: Can blame attribution by the mass public be influenced by the use of military contractors and under what circumstances?

In this article, we selected a topic that is realistic and highly salient on multiple dimensions: a failed mission to protect a diplomat in a foreign country. Our scenario is consistent with certain facts on the ground. First, the U.S. State Department is considered accountable to protect its personnel abroad. Second, the U.S. State Department’s security has been privatized for a number of years. Until recently, Blackwater held a contract valued at around one billion dollars for diplomatic security services with the U.S. State Department, but they lost this contract following a heavy-handed shootout that led to civilian casualties and friendly fire (Singer 2007a). We believe this topic deserves a more in-depth examination, especially given that military contractors will not be going away any time soon. In our research design, we use a survey experiment to explore the public’s response to a failed mission to protect a diplomat in a foreign country. Our findings lead us to an enlightening conclusion about blame attribution that diverges from traditional notions in the broader literature on privatization in political science and public administration. However, there is a twist in this plot that has not been fleshed out in previous theory. In short, we find that context matters (Meier et al. 2015); and that the American public prefers government soldiers over military contractors in conflict zones. As this paper ensues, we will briefly discuss relevant literature from an interdisciplinary perspective on blame attribution before proceeding on to our theoretical section, research design, and finally discuss our empirical findings.

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1 See the extensive media coverage surrounding the Benghazi case in Libya, 2011.
Literature Review

A variety of different literatures have examined this topic of tracking blame attribution, but there has been surprisingly little crossover in terms of theory. In social psychology, establishing a connection between an actor and outcome, the causal-linkage, is regarded as a necessary prerequisite for the rational assignment of blame (Alicke 2000; Schlenker et al. 1994). Consistent with this viewpoint, economists have found through modified dictator games that delegation to an intermediary agent can disrupt the causal-linkage that ties the decision to split funds with the dictator, strengthening the dictator’s financial position (Bartling and Fischbacher 2012). In other words, the recipient is more willing to accept a smaller pay-out since a refusal may not be properly penalizing the correct person (i.e. the intermediary agent). On the whole, the research in social psychology and experimental economics is clear that harm is insufficient to attribute blame, and that a clean causal-linkage needs to be established to properly attribute blame and responsibility to an actor.

In political science, the importance of causal-linkages has been found to be influential with a focus on economic outcomes. Much of this research on blame attribution has revolved around retrospective economic voting (Lewis-Beck and Stegmaier 2013). Researchers have found that partisanship and ideology are important components of blame attribution in the economic vote (Rudolph 2003a; Rudolph 2006). Further, institutional factors have been found to be important over and above individual-level factors in economic blame attribution (Rudolph 2003b). One of the most important findings from this literature relates to clarity of responsibility with domestic economic outcomes (Powell and Whitten 1993). When there is clarity of responsibility for an outcome, it is easier for the public to assign blame. Clarity of responsibility is fundamentally in sync with other social science literatures that emphasize the establishment of an appropriate causal-linkage between decision makers and associated outcomes. However, current findings from the literature on blame in relation to bureaucratic politics and public administration are mixed.
Recent experimental research suggests that perceptions of organizational structures do matter, but not necessarily in intuitive ways. The experimental literature in public administration has examined perceptions of contracting on a variety of dimensions. In two recent articles, private-sector contracting schemes were found not to influence blame (Marvel and Girth 2016; and James et al. 2016). These findings appear to be at odds with the pervasive view that the private sector is more efficient than the public sector across Western societies (Hvidman and Andersen 2016). However, these null-findings may be contextual. The literature in public administration has focused, thus far, on municipal and local government services (Marvel and Girth 2016; and James et al. 2016). A good theoretical reason for using these particular services relates to benchmarking. Citizens can easily observe the quality of services in neighboring localities, which can inform them about counterfactuals (James and Moseley 2014). In other words, citizens can easily compare similar cities, some of which privatize certain services and others that do not. Citizens may discover that both private and public-sector workers lead to similar outcomes. However, the presence of counterfactuals is problematic with respect to the generalizability of these findings to higher levels of government – no functioning nation state has more than one national government.

With respect to the national government in the U.S., a large literature has already established that there is a substantive degree of executive control over the bureaucracy (see, e.g., Wood and Waterman 1991; Wood and Waterman 1994); however, the existence of control and the public’s perceptions of control are two separate things. In Ruder (2014), the author explored issues associated with the U.S. presidency and causal-linkages in Anti-Trust Policy by looking at agencies that are either controlled or uncontrolled by the executive branch. Ruder (2014) varied the agency types in a survey experiment and found that participants were less likely to attribute blame to a U.S. President when there was no causal-linkage present with an agency. Similarly, Ruder (2015) conducted an experiment concerning the Deepwater Horizon oil spill in the Gulf of Mexico and found that survey participants were
more likely to attribute blame to the U.S. President if a causal-linkage was established. This research collectively suggests that blame associated with bad policy outcomes can be diffused when there is no clarity of responsibility at the Federal level. Nevertheless, the different findings in blame attribution at the Federal and local levels in the U.S. suggests that there is additional room for theoretical and empirical development.

**Theoretical Framework**

Our theoretical framework in this paper is based on the concepts of clarity of responsibility and Principal Agent Theory (hereafter “PAT”). In PAT, it is commonly theorized that principals are attempting to optimize the performance of their agents, and this usually involves enhancing control over a political principal’s agent (Bendor, Glazer, and Hammond 2001; Koppell 2005). Structuring a bureaucratic agency to maximize a principal’s preferences is commonly referred to as “stacking the deck” (see, e.g., Bendor, Taylor, and Van Gaalen 1987; McCubbins, Noll, and Weingast 1987). However, the PAT literature overlooks political problems associated with blame that may create visible causal-linkages. Deck stacking may draw too much attention to a principal, necessitating an alternative approach. In effect, principals may engage in what we refer to as *reverse deck stacking* to distance themselves from agencies, street-level bureaucrats, and policy outcomes - a stacking process that may reduce how the public perceives any clarity of responsibility (Hood 2010).

Hood (2010) indirectly refers to this blame avoidance phenomenon as “mediocrity bias” in government, which in turn is a response to the “negativity bias” in the media (Pg. 9-10). A generous amount of literature suggests that legislatures attempt to structure organizations in a way that diffuses blame away from them (Fiorina 1982; Fiorina 1986; Arnold 1990; McGraw 1990; McGraw 1991; and Weimer 2006). Hood (2010) suggests that there are three strategies for engaging in this type of behavior (Pg. 17): presentation strategies; agency strategies; and policy strategies. Each of these
strategies interacts to some extent, but the first focuses more on the framing of an issue. The latter two strategies can be operationalized through organizational structures and private-sector contracting, which has been studied in the wider literature (Marvel and Girth 2016; and James et al. 2016). All three of these processes may be used by bureaucratic agencies, and they may serve to mitigate blame. Given that the negative utility from blame has been found to consistently outweigh the positive utility from credit (Lau 1982; Lau 1985; Soroka 2006; and Weaver 1987), it is safe to operate under the assumption that there is some degree of blame avoidance in the average bureaucracy.

We theorize that military bureaucracies form unique contexts in blame attribution with exaggerated responses from the mass public. This assumption is based on previous findings that blame attribution in foreign policy is more likely than economic policy to be assigned to the executive branch in America (Sirin and Villalobos 2011). Furthermore, the structure of the U.S. military, or any modern military for that matter, naturally lends itself to vertical organizational responsibility. Militaries are hierarchical and interact with other actors, friendly or hostile. In the case of America, there are clear principal-agent relationships that ultimately begin with the authority vested in the executive branch of the U.S. government; and, as a result, blame attribution should lead to strong upward momentum to these ultimate principals. Nevertheless, this upward momentum will be reliant on the degree of clarity of responsibility in the military.

The U.S. Department of Defense (hereafter “DOD”) that houses the American military is a massive bureaucratic organization with over two million employees.² It has been found that Americans have very little knowledge as to how political institutions work (Delli, Carpini and Keeter 1997), adding further complexity to this bureaucratic black box. As a result, the DOD possesses a very complex organizational structure and outsources a variety of tasks – little of which is known to the average

American. This complexity can lead to different lengths in the chain-of-command that is further complicated when there is private-sector outsourcing. We theorize that clarity of responsibility determines blame attribution, and the complexity of the chain-of-command creates differential informational cues for the public. Informational cues on public services are known to influence public perceptions of government programs (James 2011), so we anticipate that operational information cues should function in a similar capacity. Having no knowledge concerning the chain-of-command should help to diffuse blame attribution. In short, if knowledge of the chain-of-command becomes known, theory predicts that shorter chains should increase perceptions of responsibility over longer chains, for there are fewer degrees of separation (James et al. 2016). This framework assumes that longer chains lead to some level of informational degradation as decisions are passed down the chain, much like the classic telephone game that young people play (Marvel and Girth 2016). As a result, organizational structures can increase informational specificity at the street-level that influences perceptions of responsibility for different members of an organization, depending on where they fall along the chain-of-command.

Given the previous suppositions we have described, we derive the following organizational hypothesis:

**Hypothesis 1:** Providing the public with organizational charts (provision of organizational clarity) will increase attribution of responsibility thereby increasing the attribution of blame to political principals when the organizational output is sub-par.

There are multiple reasons that a bureaucratic agency in the U.S. may elect to privatize certain services. First, the literature in public administration discusses how the use of outsourcing activities to private companies can be used as a means to dissociate principals in public organizations from blame (Hood 2010; Marvel and Girth 2016; and James et al. 2016). In the case of the U.S. military, principals of governmental departments may be seeking to disassociate themselves from military casualties.
Associated with this belief, there are additional suppositions from the literature on New Public Management of increased efficiency in the private sector relative to the public sector (see, e.g., Hood 1995; Lane 2000; and McLaughlin et al. 2002). In short, some people may view the private sector as a more efficient service outlet than the public sector. However, it is not so obvious that contracting out security services to a private agency is a clear-cut solution to increased efficiency or reducing blame. In the West, there is a strong social stigma on the use of military contractors for security purposes in war zones (Liu 2011; Patterson 2009), and the mass public has been found to know very little about the functionality of most government institutions (Delli, Carpini and Keeter 1997). Furthermore, Hessian military contractors from Germany were initially utilized by Westminster against rebels during the American Revolution, a historical situation associated with atrocities that may make America particularly sensitive to this form of privatization (Ingrao 2003). As a result, the lack of experience of the general public with the use of PMCs as agents may deem them as a less credible solution to security problems. Based on this reasoning, the use of public sector employees, conventional government forces, may be regarded as a better policy option by the mass public.

We view security privatization as a policy decision at the highest levels of bureaucratic agencies that will create a distinct impression on the mass public; the impact of this impression will likely be orthogonal to hierarchy. From the perspective of the blame shifting literature (Hood 2010), we argue that both privatization does not constitute an agency strategy in a military context; instead, we view privatization as a policy strategy. We are not arguing that bureaucracy and policy are literally distinct, but that they do decouple with regard to public opinion. As a form of policy, this is comparable to how government leaders are held accountable for economic policies that are not successful (Lewis-Beck and Stegmaier 2013), even though government leaders are not directly responsible for increasing the prices of goods or terminating anyone’s employment in the private sector. From an outsourcing perspective, privatization policies should intensify responsibility for officials at the highest level of government.
because they sculpt policymaking decisions directly. In effect, there is only one degree of separation between policies and executive leadership. As a result, bad policy outcomes can be more rapidly tied to bureaucratic leadership by the public, with or without any further knowledge of an organization’s structure.

In our study, we varied the sector of the agents, but we held the operational consequences constant. Hence, we can assess whether the same sub-par outcome is perceived, or evaluated, at a different performance level when it reported to be conducted by a PMC or U.S. Marines. Perceptions in this policy area may be further compounded by clarity of responsibility with political principals.

Given these previous suppositions on government contracting, we derive the following military contracting hypotheses:

**Hypothesis 2: The outsourcing of the combat related activity will increase the attribution of blame to the principal as a function of the perceived performance of the agent.**

**Hypothesis 3: The effect of military contracting on blame, mediated by perceived performance, will be moderated by the perceived responsibility of the principal (i.e. moderated mediation).**

**Methodology**

We examine reactions by members of the U.S. public to a vignette experiment that describes a failed operation to protect the life of a U.S. diplomat in a foreign country (Tashkent, Uzbekistan) after it was attacked by a terrorist cell (see Appendix A for the full vignette). We utilize a survey experiment with a 2 x 3 between-groups design to assess how the American public attributes responsibility and blame to a Federal cabinet member as a consequence of an unsuccessful operation. The participants were randomly assigned to one of the six experimental conditions. The participants (n=451) for this study were drawn from a large, online convenience sample, generated by Amazon’s Mechanical Turk.
Our pool of participants from our MTurk sample were slightly more secular, more male, and politically liberal than commonly known figures (See Appendix B for further details). Nevertheless, the use of MTurk has been consistently able to replicate the findings of major American surveys (Berinsky, Huber, and Lenz 2012), strongly suggesting that it has a reasonable level of external validity (Mullinix et al. 2015). Furthermore, MTurk samples are considered as more representative of American adults than undergraduate samples. Nevertheless, we checked our primary findings for robustness with respect to gender, race, religiosity, political ideology, and veteran status (see Appendix C for results). We found that these biases did not obfuscate the internal validity of our experiment. There are two primary treatments in our study: the role of contracting (government outsourcing); and organizational structures as blame-shifting strategies.

The first treatment is dichotomous, and it involves whether the government contracts out security services. The options are, more specifically, whether the diplomatic security detail is composed of members of the U.S. Marine Corps (frequently used at American embassies abroad) or military contractors from a fictional PMC. The name for the PMC is geographically neutral to avoid priming the participants in our study, and the agency informational cue is as follows: “Atlas Security LLC private guards.”

The second treatment manipulates information available to the participants about the organizational structure (depicted through an organizational chart) between the street-level security guards and the highest political principal, the U.S. Secretary of Defense. In one of the three conditions, the participants are not provided with any organizational chart. In the other two conditions, the
participants are exposed to either a short or a long hierarchical chart. The three levels of hierarchical information are presented in Figure 1 below³.

**Figure 1: Organization Chart Cue**

![Organization Chart](image)

In response to the treatments, participants were asked to assign the level of blame and responsibility to the U.S. Secretary of Defense. In addition, they were asked to evaluate the performance of the operating unit (the agent) during the incident. The first question functions as the main

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³ The vignette leaves open the possibility that the DOD and State Department may be collaborating on the project. As detailed in the Appendix the vignette includes also the following information: (a) The DOD appoints 6-person security details to all top-level Diplomats in response to Congressional budget cuts; (b) The Ambassador-in-Residence and one security guard are killed; and (c) All enemy combatants (from neighboring Afghanistan) are “killed or captured.”
dependent variable in the study, while the next two variables assessed mediating and moderating effects:

1. Rate the level of blame that the Secretary of Defense deserves for this diplomatic incident on a scale of 0-10, when 0 is “No Blame” and 10 is “A Great Deal of Blame.”

2. Rate the level of responsibility that the Secretary of Defense deserves for this diplomatic incident on a scale of 0-10, when 0 is “Not at all Responsible” and 10 is “Very Responsible.”

A third question was included to measure the perceived level of performance by the security guards:

3. Rate the performance of the ambassador’s guards on a scale of 0-10, when 0 is “Not at all Good” and 10 is “Very Good.”

An additional battery of manipulation checks and socio-demographic questions were included to verify robustness of the survey experiment. These questions can be found in Appendix B.

**Empirical Findings**

**Data Analysis**

For our initial battery of tests, we used OLS Regression to test for the robustness of our factorial design. In Table 1 below, we regress each of the treatments on the attribution of blame, responsibility, and performance. Following, the creation of these models, we conducted post estimation F-tests to see whether the length of the organizational chart made a difference in our findings.
After running all three regression models (See Table 1 Above), we found that there was no statistical difference between the impacts of the chain-of-command length on the dependent variables (See Table 2 Below). This result is consistent with the findings of Marvel and Girth (2016). Our findings led us to collapse our 3x2 factorial design into a 2x2 design. The organizational chart treatment was converted to a simple dichotomous manipulation - where we did, or did not, present an organizational chart. We ultimately attribute this null finding to the cross-cutting informational cues that the organizational charts can create in participants.  

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It is possible that participants in the experiment interpret the information cues related to the "length" of organizational chart in different ways. First, some participants may interpret these cues at face value, which implies that the principal in a longer-chain is more removed from the action, and thus, less responsible. Second,
After collapsing our research design, we tested for whether the dichotomous manipulations had direct effects on each of the three outcome variables through simple additive models. Consistent with our theoretical framework, we discovered that the influences of each of the informational cues, organization structure and military contracting, appear to be largely orthogonal to one another. In short, hierarchy is an agency strategy and contracting is a policy strategy. Empirically this can be seen in Table 3 below, where the interaction terms of the manipulations were not statistically significant. However, the direct effects of the manipulations were statistically significant in different ways. First, the provision of an organizational chart was found to increase the attribution of blame at the .05 level. Second, the use of military contractors was found to have a negative influence on performance perceptions at the .05 level. These direct effects are enlightening; however, a mediation analysis is necessary to decipher how much of the effect on blame attribution is being channeled through responsibility and performance.

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Other participants may find that the longer-chain possesses added informational specificity which helps to tie in the principal to the action when compared to a shorter-chain that may be construed as "vague."
<table>
<thead>
<tr>
<th>Dependent Variables:</th>
<th>Model 4</th>
<th>Model 5</th>
<th>Model 6</th>
<th>Model 7</th>
<th>Model 8</th>
<th>Model 9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational Chart</td>
<td>0.754*** (2.65)</td>
<td>0.898** (2.26)</td>
<td>0.761*** (2.68)</td>
<td>0.844** (2.13)</td>
<td>0.432* (1.70)</td>
<td>0.743** (2.10)</td>
</tr>
<tr>
<td>Military Contractors</td>
<td>0.463* (1.74)</td>
<td>0.663 (1.42)</td>
<td>0.384 (1.44)</td>
<td>0.500 (1.07)</td>
<td>-1.741*** (-7.34)</td>
<td>-1.306*** (-3.13)</td>
</tr>
<tr>
<td>Interaction Term</td>
<td>. . . .</td>
<td>-0.296 (-0.52)</td>
<td>. . . .</td>
<td>-0.170 (-0.30)</td>
<td>. . . .</td>
<td>-0.641 (-1.26)</td>
</tr>
<tr>
<td>Constant</td>
<td>4.463*** (16.67)</td>
<td>4.365*** (13.32)</td>
<td>5.219*** (19.47)</td>
<td>5.162*** (15.72)</td>
<td>5.308*** (22.20)</td>
<td>5.095*** (17.43)</td>
</tr>
</tbody>
</table>

| R-Squared | 0.02 | 0.02 | 0.02 | 0.02 | 0.11 | 0.12 |
| Observations | 451 | 451 | 451 | 451 | 451 | 451 |

Notes: Two-Sided T-Tests; *=p<0.1; **=p<0.05; *** p<0.01.
Mediation Analysis

We next ventured further into testing for whether responsibility and performance acted as mediators for our two independent variables: military contracting and organizational clarity. As can be seen in Figure 2 below, we tested for direct and indirect effects for each of the independent variables. The omission of a theoretically important mediator can lead to omitted variable bias (Judd and Kenny 1981), thus it is necessary for us to simultaneously test both mediating variables along with both independent variables. See Table 4 below, for the results on the attribution of blame being regressed on the two mediators. As can be seen in Table 4, both mediators have a statistically significant effect at the .05 level, or greater, on the attribution of blame. While our independent variables are dichotomous, our mediators and dependent variables are continuous – a necessary precondition for mediation analysis (Baron and Kenny 1986).

Figure 2: Causal Model of Dual Mediators on Blame Attribution
Traditionally, researchers have followed the causal steps method for assessing mediation – as specified in Baron and Kenny (1986). The causal steps method involves running a set of equations and extrapolating mediation from them. The first equation in this set involves regressing the mediator on one, or more, independent variables. The second equation involves regressing the principal, dependent variable on one, or more, independent variables. The final step involves regressing the dependent variable on the mediator(s) and one, or more, independent variables. According to Baron and Kenny (1986), mediation is supported if two criteria are met in the preceding steps. First, all mediators and independent variables, for all equations, must produce statistically significant impacts on the dependent variable, for each equation. Finally, the size of the coefficient on any independent variable(s) must decline in the presence of the mediators that, in effect, carry an indirect effect. This rudimentary method of mediation analysis has multiple weaknesses, such as with testing multiple independent variables and multiple mediators, and has since given way to resampling methods. Confidence intervals are developed in this latter method via bootstrapping to achieve a normal distribution, for the purpose of making valid inferences (Zhao et al. 2010; Preacher and Hayes 2008). This latter approach is computationally intensive, but has become more accessible in recent years and is now regarded as the gold standard in mediation analysis.
In Tables 5 and 6 below, we explore the findings from the dual mediation analysis in order to test Hypotheses 1 and 2. We estimated the models simultaneously, and then we derived the bootstrapped confidence intervals along with the indirect effect proportions (Preacher and Hayes 2008). During the bootstrapping process, we followed current methodological conventions by utilizing 5,000 replications, with bias correction, to develop our final results (Preacher and Hayes 2008). We found that our independent variables followed separate causal pathways through different mediators.

The provision of organizational charts had an indirect effect through responsibility on blame, but not through performance. This finding can be seen in Table 5 below, where the 95 percent confidence interval for performance overlaps with zero, but the 95 percent confidence interval is solidly above zero for responsibility. When a confidence interval overlaps with zero, it implies that the relationship is not statistically different from zero. In other words, there is no relationship. This finding provides evidence in favor of Hypothesis 1: responsibility has a mediation effect in the causal process between organizational chart and blame attribution, where the political principal experiences increased blame.

<table>
<thead>
<tr>
<th>Mediation Effects</th>
<th>Coef.</th>
<th>Bootstrapped S.E.</th>
<th>Bias-Corrected 95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indirect Responsibility</td>
<td>0.58605535</td>
<td>0.21674777</td>
<td>0.1656598</td>
</tr>
<tr>
<td>Indirect Performance</td>
<td>-0.03483566</td>
<td>0.02793542</td>
<td>-0.1150617</td>
</tr>
<tr>
<td>Indirect Total</td>
<td>0.55121969</td>
<td>0.21993844</td>
<td>0.1270913</td>
</tr>
</tbody>
</table>

In contrast, contracting out security operations had an indirect effect through performance on blame, but not through responsibility. This finding can be seen in Table 6 below, where the 95 percent
confidence interval for responsibility overlaps with zero, but the 95 percent confidence interval is solidly above zero for performance. This finding provides evidence in favor of Hypothesis 2, because the positive value of the confidence interval signals that the use of military contractors increases blame.

### Table 6: Bootstrap results for PMC Contracting

<table>
<thead>
<tr>
<th>Mediation Effects</th>
<th>Coef.</th>
<th>Bootstrapped S.E.</th>
<th>Bias-Corrected 95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indirect Responsibility</td>
<td>0.29577492</td>
<td>0.20826309</td>
<td>-0.1261353</td>
</tr>
<tr>
<td>Indirect Performance</td>
<td>0.14052529</td>
<td>0.0678785</td>
<td>0.0186305</td>
</tr>
<tr>
<td>Indirect Total</td>
<td>0.43630021</td>
<td>0.21754658</td>
<td>-0.0006544</td>
</tr>
</tbody>
</table>

In sum, the mediators function as powerful vehicles for transferring the causal effect from the independent variables to the dependent variable (attribution of blame). Based on our analysis of the coefficients, we calculated that approximately 94 percent of the total effect of the military contracting on blame attribution is mediated. Similarly, we found that approximately 73 percent of the total effect of the organizational chart information cue on blame attribution is mediated. On whole, these findings provide solid support for Hypotheses 1 and 2: the independent variables primarily influence blame attribution through mediation.

**Moderated Mediation Analysis**

An important component of our theory suggests that *clarity of responsibility* should moderate the impact of performance on the attribution of blame. The process whereby mediation is moderated
by another variable is known and *moderated mediation* (Hayes 2013; Muller et al. 2005; and Preacher et al. 2007). As can be seen in Figure 3 below, clarity of responsibility conditions perceptions of performance in how it influences the attribution of blame to political principals.

**Figure 3: Causal Model of Moderated Mediation on Blame Attribution**

Following Preacher et al. (2007), we pursued a structural equation approach to accessing moderated mediation. The mediators and dependent variables have been mean-centered to ease interpretation (Muller et al. 2005). The regression model results are depicted in Table 7 below.
We then calculated the indirect effects from the product of the coefficients, and the confidence intervals are developed via a bias-corrected bootstrapping procedure with 5,000 replications. We use the Preacher et al. (2007) approach to calculate the effects across three different levels of responsibility: (1) one standard deviation below the mean; (2) at the mean; and (3) one standard deviation above the mean. The rationale for this is that it is necessary to test for indirect effects over a range of values to properly access non-dichotomous variable interactions (Brambor, Clark, and Golder 2005). As a result, the contents in Table 7 may be misleading with respect to the interaction term, a common issue of interpretation in the wider literature (Franzese and Kam 2009). Proceeding with our analysis, we do find statistically significant effects as we vary the level of responsibility. The findings from our estimation procedure are listed in Table 8 below and then graphed in Figure 4 below.
At one standard deviation below the mean level of responsibility, the indirect effect of using military contractors is not statistically different from zero. At the mean level of responsibility, the use of military contractors leads to approximately a 0.14-unit increase in blame attribution that is statistically different from zero. After a one standard deviation increase from the mean level of responsibility, there is approximately a 0.2-unit increase in blame attribution. Collectively, these results provide robust evidence in favor of the importance associated with clarity of responsibility. As a result, this moderated mediation analysis provides support in favor of Hypothesis 3.

<table>
<thead>
<tr>
<th>Range:</th>
<th>Indirect Effect</th>
<th>Bias-Correct 95% Confidence Interval</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low (Mean - 1 SD)</td>
<td>0.0703642</td>
<td>-0.0518896</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.2060522</td>
</tr>
<tr>
<td>Mean</td>
<td>0.13655966</td>
<td>0.0152646</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.2765516</td>
</tr>
<tr>
<td>High (Mean + 1 SD)</td>
<td>0.20275513</td>
<td>0.014432</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.4222977</td>
</tr>
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</table>
Conclusions

Privatization continues to be a major theme in Western countries for a variety of reasons. Some of the literature in public administration suggests that there are potential efficiency gains by contracting out government services to private companies, and this may lead to enhanced social welfare and lower costs (see, e.g., Hood 1995; Lane 2000; and McLaughlin et al. 2002). Additionally, principals in bureaucratic agencies, providing important services, may have strong incentives to engage in reverse deck stacking to diffuse blame by disguising causal-linkages with their agents (Hood 2010). These two motives create strong incentives for political principals to encourage private sector contracting, because the first reason above is a way to rationalize the latter. There is no reason to assume that principals associated with a military bureaucracy should behave any differently. However, our findings suggest that blame diffusion may not work in this context.
People may punish public leaders for using military contractors for security purposes that lead to sub-par outcomes. So, do our findings imply that all forms of contracting are bad? No. A general stigma about military contractors in the West and their conduct in the American Revolutionary War may make this area a particularly sensitive topic to Americans in general. The addition of casualties into our study may also add a conceptual wrinkle in the way that the broader public perceives the informational cues. Replicating this study under different circumstances, such as with an unsuccessful military engineering project (e.g. a bridge collapse), and in different countries will enhance external validity of our results.

Another important finding of ours is that there should be clarity of responsibility before the public can assign blame. Public organizations have been found to be highly opaque, and our findings suggest that the provision of an organizational chart makes it easier to establish causal-linkages. However, organizational charts may be processed differently by different people, so the content of the organizational design is not universally interpreted in the same way. Ultimately, only a causal-linkage needs be established, based on our findings. As the attribution of responsibility begins to climb for political principals, the attribution of blame will soon quickly follow.
References


Appendix A: Vignette

In Tashkent, Uzbekistan, [contracting treatment] guards protect an important diplomat, the U.S.
Ambassador-in Residence, on a daily basis. The current team of [contracting treatment] guards are part of
a new system. Last year, in response to a tightening budget, the Secretary of Defense announced a plan
for a streamlined security detail for all senior members of the U.S. Foreign Service. In response to this
initiative, U.S. Ambassadors received a security detail of a half-dozen [contracting treatment] guards.
According to the Department of Defense, all [contracting treatment] guards are trained to the highest
standards and well suited for security duties in an urban environment. However, 5 months ago, a terrorist
cell, with roots in neighboring Afghanistan, attacked the Ambassador’s motorcade. The U.S. ambassador
and one member of the diplomatic security detail were killed. All enemy combatants were either killed or
captured in the ensuing shootout.

A non-partisan Congressional panel is currently investigating the circumstances surrounding the events
that transpired in Tashkent.
Appendix B: Survey Questions and Summary Statistics

<table>
<thead>
<tr>
<th>Table 9: Demographic Variables</th>
<th>Mean</th>
<th>Std. Dev.</th>
<th>Min.</th>
<th>Max.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>37.12667</td>
<td>12.23815</td>
<td>18</td>
<td>84</td>
</tr>
<tr>
<td>Education Level</td>
<td>2.226164</td>
<td>1.305485</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Female</td>
<td>0.4345898</td>
<td>0.4962535</td>
<td>0</td>
<td>1</td>
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<tr>
<td>Caucasian</td>
<td>0.7871397</td>
<td>0.4097843</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Political Ideology</td>
<td>3.37694</td>
<td>1.753676</td>
<td>1</td>
<td>7</td>
</tr>
<tr>
<td>Military Veteran</td>
<td>0.0776053</td>
<td>0.2678466</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Religious</td>
<td>0.3481153</td>
<td>0.4769018</td>
<td>0</td>
<td>1</td>
</tr>
</tbody>
</table>

The following survey questions were asked of the subjects:

7. What is your age?__________________

8. What is your highest level of educational attainment?
   Some High School____
   High School or GED____
   Some College________
   Associates Degree____
   Bachelors Degree_____
   Masters Degree_______
   Doctoral Degree_______

9. What is your sex? (Male or Female)
   Male___________
   Female_________

10. What is your race?
    White___________
    Black___________
    Latino__________
    Asian___________
    American Indian___
Multi-Racial_______
Other__________

11. Political Ideology on a 1-7 scale
   Liberal 1 2 3 4 5 6 7 Conservative

12. Are you a military veteran?
   Yes____________
   No____________

13. Would you describe yourself as Religious?
   Yes____________
   No____________

14. What best describes your Religious Attendance?
   Weekly________
   Monthly_______
   Annually_______
   Never_________
Table 10: OLS Robustness Check Models that Include Sociodemographic Covariates

<table>
<thead>
<tr>
<th>Dependent Variables:</th>
<th>Model 10</th>
<th>Model 11</th>
<th>Model 12</th>
<th>Model 13</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Responsibility</td>
<td>Performance</td>
<td>Blame</td>
<td>Blame</td>
</tr>
<tr>
<td>Organizational Chart</td>
<td>0.812***</td>
<td>(2.90)</td>
<td>0.476*</td>
<td>(1.93)</td>
</tr>
<tr>
<td>Military Contractors</td>
<td>0.304</td>
<td>(1.16)</td>
<td>-1.742***</td>
<td>(-7.52)</td>
</tr>
<tr>
<td>Responsibility</td>
<td>0.769***</td>
<td>(25.18)</td>
<td>0.0641</td>
<td>(0.13)</td>
</tr>
<tr>
<td>Performance</td>
<td>-0.0641</td>
<td>(-0.13)</td>
<td>1.780***</td>
<td>(4.04)</td>
</tr>
<tr>
<td>Veteran Status</td>
<td>-0.0118</td>
<td>(0.04)</td>
<td>0.416*</td>
<td>(1.75)</td>
</tr>
<tr>
<td>Education Level</td>
<td>0.0319***</td>
<td>(2.85)</td>
<td>-0.00652</td>
<td>(-0.66)</td>
</tr>
<tr>
<td>Age</td>
<td>0.173*</td>
<td>(1.69)</td>
<td>-0.168*</td>
<td>(-1.86)</td>
</tr>
<tr>
<td>Female</td>
<td>0.0881</td>
<td>(0.33)</td>
<td>0.416*</td>
<td>(1.75)</td>
</tr>
<tr>
<td>Political Ideology</td>
<td>0.131</td>
<td>(1.60)</td>
<td>0.148**</td>
<td>(2.04)</td>
</tr>
<tr>
<td>Religious</td>
<td>0.408</td>
<td>(1.40)</td>
<td>0.0793</td>
<td>(0.31)</td>
</tr>
<tr>
<td>Caucasian</td>
<td>-0.440</td>
<td>(-1.33)</td>
<td>0.157</td>
<td>(0.54)</td>
</tr>
<tr>
<td>Constant</td>
<td>3.395***</td>
<td>(5.77)</td>
<td>4.936***</td>
<td>(9.52)</td>
</tr>
</tbody>
</table>

R-Squared  | 0.06 | 0.18 | 0.06 | 0.61 |
Observations | 450 | 450 | 450 | 450 |

Notes: Two-Sided T-Tests; *p<0.1; **p<0.05; *** p<0.01; and one observation dropped from non-response to a question.