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Kleptocracy and foreign policy change: a political-administrative relations account

Bin Abadi, A.M.

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Chapter Three

Kleptocracy and Manipulation in Political-Administrative Relations

3.1 Introduction

This chapter builds a theoretical framework to analyze the following research question: How is the effect of kleptocracy on foreign policy change mediated by the political-administrative relationship? As elaborated in Chapter Two, although neoclassical realism does provide a crucial starting point to analyze the foreign policy change process, it suffers analytical bias toward political executives at the expense of bureaucrats' perspective.¹ Moreover, the bureaucratic politics model, despite its capability to complement the neoclassical realist deficit by providing a framework on bureaucracies' influence on foreign policy-making, also has its lacuna: It undermines the magnitude of external stimuli, excludes the political-administrative variable in explaining foreign policy-making processes, and does not account for the impact of differences and changes in executives–bureaucrats relations on foreign policy change. To that end, this chapter introduces PSBs as an integral concept in understanding the impact of kleptocracy on foreign policy change by arguing that the type of PSB and bureaucrats' acceptance or rejection of kleptocrats' agenda will determine the degree of foreign policy change caused by kleptocracy.

To begin with, it is claimed that the understanding of PSBs is imperative to study foreign policy-making process comprehensively. This is because the theory addresses the dynamics of perspectives of both main foreign policy-makers—the political executive and the bureaucrat—unlike the conventional neoclassical realism and bureaucratic politics model. Consequently, this framework provides an opportunity to study the impact of kleptocracy on foreign policy change in a rigorous manner since both executives and bureaucrats are included into the equation. PSBs are defined as “explicit or implicit agreements between public servants—the civil or uniformed services of the state—and those they serve” (Hood and Lodge 2006, p.6). However, this research extends the concept further into the realm of foreign policy-making by first incorporating the impact of kleptocracy on PSBs and then theorizing its effect on foreign policy change output.² While multiple factors contribute to the consistency in political-

¹ In this regard, Putnam (1988) used to remind that “It is fruitless to debate whether domestic politics really determine international relations, or the reverse. The answer to that question is clearly ‘Both, sometimes.’ The more interesting questions are ‘When?’ and ‘How?’” (p. 427).

² Indeed, there are other factors that contribute to foreign policy change, and this research aims not to argue that political-administrative bargains are the only factor that lead to such output. However, this perspective is

administrative relations, especially since the “bargains” have long been established between both executives and bureaucrats, there are also multiple factors that can force those same types of bargains to change or crumble (Hood and Lodge, 2006).

According to Hood and Lodge (2006), from the perspective of political-administrative bargains, apart from wars, regime change, revolution, and long-term evolutionary process, bargains can change or crumble when strategic actions such as cheating or manipulative behavior occur. This research proposes a specific definition of manipulation in political-administrative bargains that affect foreign policy change: Manipulation in political-administrative bargains occurs when one or both sides of the bargain use strategies to alter the established foreign policy-making process for the sake of their own policy preferences, to the disadvantage of other actors. In particular, this chapter attempts to link kleptocracy and manipulation in political-administrative bargains with foreign policy change.

To link the building blocks between kleptocracy, manipulation in PSBs, and foreign policy change, this chapter is organized as follows: First, the conditions and types of foreign policy change—the dependent variable of this research—will be reviewed. Next, a gap in the current foreign policy change literature will be addressed using the theorems of political-administrative bargains. To do so, a link between political-administrative bargains and the policy-making process will be discussed briefly. The subsequent section will elaborate on the different strategies of manipulation in political-administrative bargains. The last section will theorize the link between kleptocracy, manipulation in political-administrative bargains, and eventually foreign policy change.

3.2 Linking Foreign Policy Change with Public Service Bargains

Since a specific gap in both neoclassical realism and the bureaucratic politics model in explaining foreign policy change of a smaller power has been discussed, this section will now turn to build a proposed framework of PSBs to analyze foreign policy change of a smaller power toward great power. As Renshon and Renshon (2008) pointed out, no crisis or war can be understood “without direct reference to the decision making of individual leaders.” (p.511) This is also true in the context of change in a smaller power’s policy toward great power. In essence, while neoclassical realism prioritizes the external (structural) pressure and the role of executive leaders in the policy-making process, it has undertheorized the bureaucratic actors. Conversely, although the bureaucratic politics model argues for the importance of bureaucratic

significant, and the current IR literature, as discussed in the previous chapter, is yet to explain foreign policy change of smaller powers from this perspective.

actors in foreign policy decision-making, it falls short in explaining the dynamics involved in bureaucrats' interaction with their executive counterparts in the foreign policy-making process. The PSB model can help fill these gaps.

To understand the role of PSBs in foreign policy change of a smaller power, one must take into account the two dominant group of actors: executives (presidents, prime ministers, cabinet and junior ministers) and bureaucrats (department officials, ministry officers, central agency officers).³ While some scholars might contend for an analysis of foreign policy decisions from the perspective of the cognitive processes that lead to foreign policy-making by “getting into the minds” of leaders who make the decisions (Mintz & DeRounen, 2010), other scholars have already emphasized that “Coordination and control in foreign policy implementation are far from given—they are in fact subject to constant enforcement and (re)negotiation in the relationship between political elites and the foreign policy and defense apparatus” (Karvonen & Sundelius, 1987, cited in Hart, Stern, & Sundelius, 1997, p. 15).

It must be noted that a common task for foreign policy-makers is to interpret events and trends in their domestic and international political, economic, and security environment. This interpretation process occurs at different levels: “At the most abstract level of foreign and defense policy strategy, efforts to rethink the basic premises of the hard core of a country’s policy are often triggered by major contingencies and crisis in the international system” Hart et al., 1997, p. 13). At the most concrete level of day-to-day policy-making, the organization of the policy process usually provides “periodic, predictable occasions for preparation and reconsideration of positions” (Hart et al., 1997, p. 13). Accordingly, the assessment, interpretation, and calculation by both political executives and administrative bureaucrats must be taken into account to capture a comprehensive understanding of a foreign policy decision-making process.

The relationship between political executives and policy bureaucracies has been studied by a number of scholars from different perspectives (Aberbach et al., 1981; Bach & Wegrich, 2020; Hood & Lodge 2006; Ingraham & Ban, 1986; Peters, 1988; Svara, 2006; Hart & Wille, 2006). Specifically for this research, it is critical to identify the different patterns and determinants behind the different political-administrative relations. To unfold this “black box,” there is one theory from extant public administration literature that can be examined to understand the variants in political-administrative relations as well as the mechanics behind them: Hood and Lodge’s (2006) PSB theory.

³ This is a weakness inherent in the “rational actor models” such as classical realism and neorealism, as elaborated by a number of IR scholars (Allison & Zelikow 1999; Lobell et al, 2009; Rose, 1998; Taliaferro et al., 2016).

In their seminal work, Hood and Lodge (2006) described PSBs as “explicit or implicit agreements between public servants—the civil or uniformed services of the state—and those they serve” (p. 6). This description captures the transactional nature within the political-administrative relations, wherein

“politicians normally expect to gain some degree of political loyalty and competence from bureaucrats or public servants, and those public servants normally expect to gain some assured place in the structure of executive government, a definite sphere of responsibility and some mixture of tangible and intangible reward” (Hood & Lodge, 2006, p. 7).

Here, it must be noted that there exist variations in PSBs; Hood and Lodge formulated two types of bargains: agency bargain and trustee bargain. The major difference between the categories is the degree of bureaucrats’ autonomy vis-à-vis their political executive counterparts. While bureaucrats are regarded as “servants of political masters” under the agency bargain, the trustee bargain portrays bureaucrats as “autonomous estate” (p. 21). In essence, under trustee bargain, bureaucrats possess a higher degree of autonomy, wherein they “exercise discretion in a way that is not subject to commands or control from elected politicians,” than their counterparts in countries that practice agency bargains (p. 25).

According to Hood and Lodge, “Wherever there are agreements or bargains, there is the possibility of breakdown” (p. 153). There are three factors that can alter or disrupt the political-administrative bargains: “sudden changes in habitat or environment that overtake the original compact, longer-term changes that do not necessarily involve any single ‘big bang’ event, and processes of cheating, ‘creative compliance,’ and a range of other strategic responses by one or more of the parties” (p. 153). Hood and Lodge suggested the following events as the examples for the “sudden changes in habitat or environment” factor that can disrupt the PSBs: “revolutions, military defeats, critical election outcomes, and other forms of ‘regime change’” (p. 154). Nevertheless, this research does not cover all such conditions wherein changes are sudden; instead, the focus is specifically on the context of foreign policy change by a kleptocrat. For this purpose, the second disrupting factor—longer-term changes such as increased education and social mobilization—is also irrelevant in the context of this research. It is the third disrupting factor that needs to be examined closely.

3.3 Manipulation in Public Service Bargains

The concept of cheating or manipulation in political-administrative bargains has been developed by Hood and Lodge (2006) based on the case of “game setting”; bargaining pattern

between the political executives and bureaucrats can break down if one or more of the parties choose to cheat or sees the other as cheating. Hood and Lodge claimed that it is possible to think of politicians and bureaucrats as engaged in “prisoner’s dilemma”-type games, a cooperation game in which “each of two prisoners, accused of being partners in crime and held in separate cells, are given the option of whether to stay silent or to go free by informing on the other” (p. 158). While this chapter is not going to replicate the details of each different types of PSBs and cheating as constructed by Hood and Lodge, the reasoning and mechanics behind their framework is useful for building a model to link kleptocracy to foreign policy change of a smaller power. As compared to other accounts on political-administrative relations that emphasize the institutional perspective (e.g., Aberbach et al., 1981; Ingraham & Ban, 1986; Peters, 1988; Svara, 2006), Hood and Lodge provided a combination of strategic behavior perspectives and detailed account from the perspective of both historical/institutional and rational actors. Accordingly, Hood and Lodge’s PSBs do not portray political-administrative relations in a static depiction; instead, the dynamics and interest calculation of both executive and bureaucrats are taken into account through their formulation of strategic, manipulative conduct.

There are several ways in which cheating can occur in political-administrative bargains: Cheating can be asymmetric or one-way (one party cheats, others stick to the deal) or two-way (all of the parties cheat). However, since this research focuses on the impact of kleptocracy on foreign policy change, the only cheating behavior that will be analyzed is the asymmetric or one-way, in which an executive-turn-kleptocrat cheats in the PSBs to alter the policy-making process according to their kleptocratic interests. The next section will first explain how a kleptocrat’s cheating fits in with the PSB framework and then cover its application to foreign policy change.

3.4 Kleptocracy and Manipulation Strategies in Public Service Bargains

To begin with, a kleptocrat is defined as “a ruler or top official whose primary goal is personal enrichment and who possesses the power to further this aim while holding public office” (Andreski, 1968, pp. 92–109). By exploiting their office, kleptocrats siphon off public funds for their personal use (Andreski, 1968; Rose-Ackerman, 1999). In kleptocratic regimes, “the state is controlled and run for the benefit of an individual, or a small group, who use their power to transfer a large fraction of society’s resources to themselves” (Acemoglu et al., 2004, p. 1). For the purpose of this research, “kleptocracy” has been treated as a system whereby a ruler seeks rents for his private gains and employs patronage to secure rent incomes from the state.

To that end, a kleptocrat can arise from any type of political systems—not only autocracy, dictatorship, monarchy, theocracy, military junta, Marxist socialism but also liberal democracy (Alatas, 1970; Alatas, 1999; Cooley & Sharman, 2017; Sharman, 2017).

Research on kleptocracy can be divided into several themes: the definition and mechanism of kleptocracies (Andreski, 1968; Acemoglu et al., 2004; Bullough, 2018; Chaikin & Sharman, 2009; Marriage, 2018; Sharman, 2011), kleptocracies in the Third World countries (Burgis, 2015; Chayes, 2015; Cooley & Heathershaw, 2017), the evolution of kleptocracy vis-à-vis other types of corruption (Wedeman, 2018; Rose-Ackerman, 1999; Walker & Aten, 2018), the kleptocrats' bribe strategy to secure external resources (Lanskoy & Myles-Primakoff, 2018), and kleptocrats' money-laundering strategy to whitewash their reputation in the West (Cooley, Heathershaw, & Sharman, 2018; Sharman, 2017).

Kleptocracies are different from other cases of pervasive corruption by the direct involvement of the state's leader in corrupt schemes and by the conversion of the state itself into an instrument of systematic plunder (Wedeman, 2018; Walker & Aten, 2018). Bullough (2018) identified three pathways of kleptocracy: stealing, obscuring, and spending. The rise of offshore finance enabled corruption at the national level to become more complex at international level. Kleptocrats steal from the state, channel them into shell companies, and "scrub" the money clean of any signs indicating its corrupt origins; further, major banks, financial institutions, and real-estate brokers in the West "stash" the cash away for future use by its owners (Wedeman, 2018). Over time, the word "kleptocracy" came to be applied more broadly as a new term for extreme corruption. Some scholars used "kleptocracy" interchangeably with "grand corruption," defined as "the misuse of public power by heads of state, ministers and senior officials for private pecuniary gain" (Moody-Stuart, 1997, p.1). Kleptocracy eventually evolved, and rather than being hierarchical, it took a decentralized form, with individual senior officials operating on their own and heading independent syndicates. To this end, Wedeman (2018) differentiated the terms "kleptocracy," "grand corruption," and "crony capitalism." "Grand corruption" is usually mixed with "petty corruption on the part of lower-ranked bureaucrats" (p.88); in this case, officials at both top and bottom level of the state are considered corrupt. Conversely, "crony capitalism" concentrates at the top. In kleptocracy, a state is transformed into a corrupt syndicate. Kleptocrats focus on "setting up monopolistic and oligopolistic structures that enable them to create and scrape off rents." (p.89) In essence, the original defining characteristic of kleptocracy is "vertical hierarchical integration with the state's top leader acting as the thief-in-chief." (p.89)

To develop a model that links kleptocracy, manipulation in political-administrative bargains, and foreign policy change, this analysis will proceed as follows: It will conceptualize the emergence of kleptocratic bargains against the established trustee-type PSBs as the result of kleptocrats' manipulative strategies that eventually affect the foreign policy decision-making. For the sake of protecting their interests against foreign debt or political pressure, a kleptocrat in a smaller power is expected to seek external support from a great power even though this can negatively affect the country's sovereignty and territorial integrity. Consequently, a kleptocrat is expected to undermine bureaucrats' autonomy in the foreign policy decision-making process in their course to pursue or protect their private interests.

This study incorporates Hoyt and Garrison's (1997) strategies of political manipulation, that is, inclusion and exclusion, to understand kleptocrats' strategies to manipulate the established PSB system according to their preferences. Hoyt and Garrison (1997) posited that executives have an interest in deciding who participates in the decision-making process; this is because those who are involved are likely to influence the process, including the number and nature of proposed solutions, the definition of solutions, and the relative strength of factions (p. 253). The exclusion strategy refers to the deliberate alteration of the composition of decision-making actors to include only those with shared interests and sympathetic viewpoints. The inclusion strategy represents an attempt to diffuse the influence of opponents by packing the meeting(s) of actors involved in decision-making with additional like-minded participants (Hoyt & Garrison, 1997; Yukl & Tracey, 1992). Despite the positive-sounding ring of inclusion, it is a strategy of manipulation because it diverts the authority from rightful bureaucrats into the hands of the kleptocrat's allies who will later shift the policy-making process according to the kleptocrat's interests.

Therefore, a combination of kleptocracy and political manipulation gives rise to a particular type of PSB that gives advantage to the kleptocrats: kleptocratic-type bargain. This type of bargain is conceptualized here as a condition in which a politician courts a bureaucrat to participate in their corrupt dealings with the aim of transferring public resources into their private control. To achieve this bargain, a kleptocratic executive is expected to devise a series of manipulation strategies such as concentrating authority into their hands, making them free to exclude or bypass non-corrupt executives and non-compromised bureaucrats, before achieving their preferred foreign policy objectives. To that end, this research proposes a specific definition of manipulation in political-administrative bargains that affect smaller power's foreign policy: Manipulation in political-administrative bargains occurs when one or both sides of the bargain use strategies to alter the established foreign policy-making process for the sake

of their own policy preferences, to the disadvantage of other actors. However, it must be noted that the ability of a kleptocrat to initiate foreign policy change within the trustee-type system is expected to be lower than that in the agency-type system if bureaucrats in the trustee system reject the kleptocrat's agenda. Due to their long-established autonomy, bureaucrats in the trustee system might be excluded by kleptocrats in specific foreign policy decision-making process, but they will be expected to continue performing their role in other foreign policy-making process. For this purpose, the present research distinguishes between a full kleptocratic bargain and a partial kleptocratic bargain; while a full kleptocratic bargain denotes a bureaucrat's acceptance of a kleptocrat's agenda, a partial kleptocratic bargain is conceptualized as a condition in which an autonomous bureaucrat, under the trustee bargain, rejects a kleptocrat's agenda and continues to perform their duties in other policy decisions that are not directly related to the kleptocrat's interests.

Following the constructed combination of kleptocracy and manipulation strategies, this research can now propose several sets of assumptions regarding the way kleptocracy affects foreign policy change from the perspective of political-administrative bargains. First, it is an executive's decision to turn to kleptocracy that positioned as an independent variable. Once the executive turns to kleptocracy for their personal gain at the expense of the state coffer, this will affect the subsequent decision-making process involving another actor—the bureaucrat. The kleptocracy option for the executive is facilitated by the fact that kleptocracy became transnational with the rise of the post-Bretton Woods offshore financial system, which followed the end of World War II. The period was characterized by the emergence of intermediaries such as bankers, real-estate brokers, accountants, lawyers, wealth managers, and public-relations agents who were capitalized by kleptocrats to steal from people, hide illicit funds abroad, and spend that money in other countries (Bullough, 2018; Cooley et al., 2018). Subsequently, a kleptocrat's capability to align the state's decision-making process according to their kleptocratic interest will depend on the type of their PSBs vis-à-vis their bureaucrats. If the practiced system is of agency type, it will be easier for the kleptocrat to initiate kleptocratic-bargain for the purpose of steering the decision-making process toward their interest; however, if the kleptocrat inherited a trustee-type bargains system, they will have to devise more manipulation and cheating strategies to bypass the autonomy of the powerful bureaucrat in order to force their preferred policy.

Here, it must be emphasized that the degree of kleptocracy-incurred foreign policy change within the trustee-type system is expected to be lower than that in the agency-type system if bureaucrats in the trustee system choose to reject the kleptocrat's agenda. Empowered

with their established autonomy, bureaucrats in the trustee system can be excluded by kleptocrats in specific foreign policy decision-making process, but they will be expected to continue performing their role in other foreign policy-making processes. Accordingly, this research focuses on only two types of foreign policy changes: the full foreign policy change and the partial foreign policy change. In the context of full foreign policy change, as Hermann (1990) described, “State changes its entire orientation towards world affairs, altering not one but many policies at the same,” (p.5) while regarding the partial policy change, the author claimed, “Foreign policy goals themselves are replaced.” (p.6)

This is precisely how the type of PSBs functions as an intervening variable; it determines the maneuvering space for kleptocrats to translate their policy preferences into the eventual foreign policy decision vis-à-vis their bureaucratic counterpart. In a condition where an executive chooses to turn to kleptocracy, it will be a critical factor for the smaller power to shift its foreign relationship toward supportive great power—even to the extent of risking its sovereignty and territorial integrity (Bobić, 2019). From the perspective of the kleptocratic smaller power, this condition is known as “strategic dependence.”⁴ The degree of foreign policy change, however, depends on the existing PSB type as well as bureaucrats’ response to kleptocrats. If the established bargain system is trustee type and bureaucrats reject kleptocrats’ agenda, kleptocratic bargain will be expected to result in partial foreign policy change since autonomous bureaucrats will continue performing their role of maintaining the established foreign policy. Conversely, if the established bargain system is agency type, although bureaucrats might reject and attempt to resist kleptocrats’ agenda, they do not possess the same degree of autonomy as their counterparts in the trustee system did in foreign policy-making; thus, full foreign policy change is expected to take place anyway.

Accordingly, the sequence is as follows: The political executive’s turn toward kleptocracy will affect the foreign policy-making process when they devise manipulation strategies in both types of PSBs. It must be emphasized that bureaucrats can choose to accept or reject kleptocrats’ agenda in policy-making process based on their official bureaucratic purview. As summarized in Table 3.1, there are four possible scenarios that can occur. First, if an executive becomes a kleptocrat under a trustee-type bargain system, bureaucrats can react

⁴ This term has been described by Transparency International (2019) as follows: As countries’ and decision-makers’ options become ever narrower due to a debt burden or an investment whose costs keep ballooning, choices that can threaten national and international security might be the only ones available. The temptation to pursue grand investments without proper attention to their feasibility and cost can tether countries, in the long term, to foreign policy and security choices they might not otherwise wish to make (p. 9).

in two ways: They can accept or reject the kleptocrat's foreign policy change. If bureaucrats choose to reject, three events are expected to take place: 1) the kleptocrat will deploy both manipulation strategies—the exclusion and inclusion strategies; 2) the trustee-type bargain system in selected policy areas will change into partial kleptocratic-type system, in which bureaucrats are excluded from performing their primary role in selected foreign policy decisions but still maintain their autonomy in other policy-making process; and 3) the smaller state's foreign policy will only partially change according to kleptocratic interests. If bureaucrats choose to accept, 1) the kleptocrat will deploy only the inclusion strategy; 2) the trustee-type bargain system in selected policy areas will change into a full kleptocratic-type system following the inclusion of the kleptocrat's allies in the policy-making process; bureaucrats' autonomy and authority will be maintained as they will support and assist the kleptocrat; and 3) the smaller state's foreign policy will change fully according to the kleptocrat's interests.

On the other hand, if an executive turns into a kleptocrat in an agency-type bargain system, the same two possible scenarios can be expected based on bureaucrats' reactions: Bureaucrats can accept or reject the kleptocrat's foreign policy change. If bureaucrats choose to reject, three events are expected to take place: 1) the kleptocrat will deploy both exclusion and inclusion manipulation strategies; 2) next, the agency-type bargain system in selected policy areas will change into the kleptocratic-type system, in which bureaucrats are excluded altogether from participating in foreign policy-making; and 3) finally, the smaller state's foreign policy will change fully according to kleptocratic interests. If bureaucrats choose to accept, 1) the kleptocrat will deploy only the inclusion strategy; 2) next, the agency-type bargain system in selected policy areas will change into the full kleptocratic-type system following the inclusion of the kleptocrat's allies in the policy-making process; bureaucrats' role will be limited to supporting without assisting the kleptocrat; and 3) finally, the smaller state's foreign policy will change fully according to kleptocratic interests.

Table 3.1

The Impact of Kleptocracy on Political-administrative Bargains in Foreign Policy-making

		Executive turns toward kleptocracy in the system	trustee-type	Executive turns toward kleptocracy in the system	agency-type
Bureaucrats reject the kleptocrat	the	1) The kleptocrat deploys two manipulation strategies: exclusion and inclusion		1) The kleptocrat deploys two manipulation strategies: exclusion and inclusion	
		2) Bargain system in selected policy areas changes into the partial kleptocratic-type system; bureaucrats are excluded from selected policy decisions but maintain their primary role in other foreign policy-making processes		2) Bargain system in selected policy areas changes into the partial kleptocratic-type system; bureaucrats are excluded altogether from participating in foreign policy-making	
		3) Only partial foreign policy changes according to kleptocratic interests		3) Foreign policy changes fully according to kleptocratic interests	
Bureaucrats accept the kleptocrat	the	1) The kleptocrat deploys only the inclusion manipulative strategy		1) The kleptocrat deploys only the inclusion manipulative strategy	
		2) Bargain system in selected policy areas changes into the full kleptocratic-type system; bureaucrats support and assist the kleptocrat		2) Bargain system in selected policy areas changes into the full kleptocratic-type system; bureaucrats support without assisting the kleptocrat	
		3) Foreign policy changes fully according to kleptocratic interests		3) Foreign policy changes fully according to kleptocratic interests	

As noted earlier, the decision on which issue gets talked about by whom, when, and by which procedures is clear; both executives and bureaucrats in a smaller power can inherit the same pattern of foreign policy decision-making process from their predecessors. Renshon and Renshon (2008) identified this as “decision structure”: “The ways in which an executive organizes the decision-making process and involves institutional frameworks and procedures as well as the dynamics that characterize the internal debating process” (p. 518). Both executives and bureaucrats inherit not only a particular bargain type (agency type or trustee type) but also certain sets of established economic and military policies toward great powers. However, once the kleptocrat attempts to shape foreign policy according to their interests, it is logical to assume that they will devise manipulation strategies to cheat against their bureaucratic counterparts. Since agency bargains can be considered as a more convenient arrangement for kleptocrats to serve their private material interests at the expense of the long-established foreign policy, both types of bargains are affected differently in the context of the emergence of the kleptocrat. While the inclusion of the kleptocrat’s allies into the foreign policy-making process through manipulation strategies will exclude bureaucrats in policy-making process under the agency-type bargain, bureaucrats under the trustee-type bargain are expected to maintain their bureaucratic autonomy and continue to significantly perform their duties in other policy decisions. The theoretical model is illustrated in Figure 3.1.

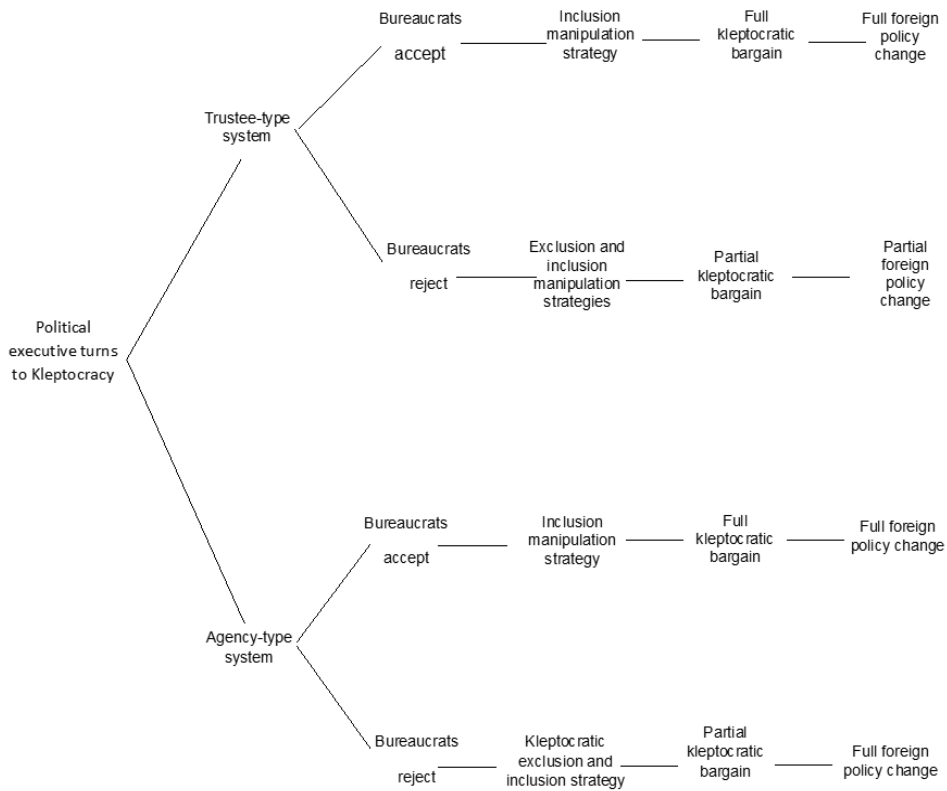


Figure 3.1. Kleptocracy, bureaucrats’ response options, and degree of foreign policy change.

3.5 Conclusion

By linking the insights from PSBs with foreign policy change, this chapter theorized the impact of kleptocracy and manipulation in political-administrative bargains on foreign policy change of a smaller power. For this, the research developed a kleptocratic-type bargain. Different types of kleptocratic bargains can occur depending on bureaucrats’ acceptance or rejection of a kleptocrat’s agenda. This research proposes that the type of PSBs and bureaucrats’ acceptance or rejection of the kleptocrat’s agenda affect the degree of foreign policy change caused by kleptocracy.

This chapter also proposed a specific definition of manipulation in political-administrative bargains that affect a smaller power’s foreign policy: Manipulation in political-administrative bargains occurs when one or both sides of the bargain use strategies to alter the

established foreign policy-making process for the sake of their own policy preferences, to the disadvantage of other actors. Subsequently, by combining the impact of a kleptocrat's manipulation in political-administrative bargains with foreign policy-making process, this chapter contributes to three areas. First, it establishes a link between kleptocracy and political-administrative relations literature within the realm of foreign policy. Second, it fills the knowledge gap regarding the process of foreign policy change of a kleptocratic smaller power toward great powers from two perspectives of political-administrative relations. If the established bargain system is trustee type and bureaucrats reject kleptocrats' agenda, kleptocratic bargain will be expected to result in partial foreign policy change since autonomous bureaucrats will continue performing their role of maintaining the established foreign policy. Conversely, if the established bargain system is agency type, although bureaucrats might reject and attempt to resist kleptocrats' agenda, they do not possess the same degree of autonomy as their counterparts in the trustee system did in foreign policy-making; thus, full foreign policy change is expected to take place anyway.

Finally, the research also filled a vacuum in the existing IR and foreign policy theories regarding the understanding of the different degrees of foreign policy change that can occur due to kleptocracy and the influence of bureaucratic autonomy on such outcomes: The more autonomous bureaucrats who strongly reject kleptocrats' agenda are expected to lead to partial foreign policy change. The next chapter discusses research design and methodology.