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TO PREVENT OR NOT TO PREVENT CRIMES?

A qualitative interview study about the insurance industry's role as a crime preventive actor towards the construction sector

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Abstract

Title: To prevent or not to prevent crimes? A qualitative interview study about the insurance industry's role as a crime preventive actor towards the construction sector.

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Aims and objectives: The aim of the article is to examine if the insurance industry, as a third-party policing actor, generates crime prevention incentives towards the companies within the construction sector, through their role as policyholders in Sweden. Included is also to investigate if the relationship between the insurer-insured generates any unanticipated consequences for other actors in the society. To achieve this, the objectives are: (1) to analyze how the insurance companies, as super controllers, use the crime mechanisms effort, risk, rewards and excuses, to steer the crime preventive conduct of their policyholders, (2) to assess if the insurance companies act as capable super controllers to prevent crimes by evaluating their situational ability to detect crimes, their willingness to supervise, and their willingness to intervene when detecting crimes and (3) to evaluate whether the purposive social actions of the insurers generate any unanticipated consequences for the construction companies or other societal actors.

Method and data: The choice of method to retrieve data is through semi-structured research interviews, while the method used to interpret the transcripts (data) is qualitative text analyses. The transcripts are analyzed by the use of a bricolage method. An assembled theoretical framework consisting of Sampson, Eck and Dunham's (2010) extended routine activity theory, including the concept of super controllers, Reynald's (2010) factors for what constitute capable guardians and Merton's (1936) concepts of purposive social actions and unanticipated consequences, have been used to analyze the data.

Results: The insurance companies have a limited capability, as super controllers and third-party policing actors, to regulate the crime preventive conduct of their policyholders. The main reason as to why is because they operate on the private market and are steered by profit-maximizing goals. Acquisitive thefts are defined by the insurers as frequency damages that the insurance primarily is not intended to provide financial coverage for. The thefts are instead described as an inherent business risk of the construction industry. To reduce the possibilities to financial compensation, the deductibles are therefore stipulated at levels that the direct costs for the acquisitive thefts often fall below. This formally organized and purposive decision by the insurers results in that the construction companies in practice act as they are uninsured in relation to the crime type. This removes an important financial incentive to report the thefts to the police, something that by extension leads to the unanticipated consequence that the dark figure of crime within the construction industry is upheld.

Keywords: Acquisitive thefts, all-risk insurance, crime prevention mechanisms, controllers, super controllers, purposive actions, third-party policing, unanticipated consequences.

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1. Introduction and problem definition

According to the Swedish crime prevention council, there has been a significant increase in reported crimes from construction companies in Sweden during the period 2013-2018. The amount of acquisitive thefts¹ on construction sites following burglaries has increased by 60 percent, corresponding to an average of 15 burglaries per day, while the amount of freestanding acquisitive thefts has increased by 40 percent (Brå, 2020). The direct cost of the thefts is estimated at two billion SEK annually (Hambraeus, 2019, 15th of May). The criminality does not just affect the companies but also indirectly the consumers through increased prices for construction projects such as for the sales of dwellings (Kronkvist & Martinez-Olsson, 2016:11:16). Although the thefts generate negative consequences for the broader society, the problem has not been acknowledged to any greater extent, neither in the public debate or through the use of media channels. The problem can, therefore, be described as socially latent (Loseke, 2010:10).

The crime trend makes it motivated to examine which societal actors that are best positioned to affect the crime prevention work that the construction companies undertake. According to Litton (2010:151), the insurance industry holds a unique market position, where they primarily by the use of financial incentives, can affect their policyholders to engage more in crime prevention practices. However, the insurance industry has to a large extent been neglected in research conducted in relation to third-party policing and crime prevention, although there are a few exceptions (e.g. Ericson, Doyle & Barry, 2003; Anleu, Mazerolle & Presser, 2000; Litton, 1990). There is also a lack of research that are examining thefts on construction sites (Boba & Santos, 2008:246). Furthermore, I have not found any research that examines the role of the insurance industry, as a crime preventive actor, in relation to the construction industry². I have therefore identified a criminological research gap, where this article contributes to knowledge production in relation to a new field of research.

¹ Umbrella term for crimes when an offender acquires items from another person, and covers a number of different offences (Cannock Chase Council, 2015).

² Research was sought by the keywords “construction site crimes/thefts/acquisitive thefts + insurance/insurer/insurance industry on Gothenburg’s university library, Google Scholar and Google.

2. Purpose and research questions

The purpose is to produce knowledge regarding if the insurance industry, as a third-party policing actor, generates crime prevention incentives for the construction companies, through their role as policyholders. This will be examined by Sampson et al.'s (2010) extended routine activity theory, including how controllers can be steered from a top-down approach by the concept of super controllers. The theory has been broadened to include Reynald's (2010) key factors for what render guardians capable to disrupt crimes. Included in the purpose is also to examine if the relationship between the insurer and the insured causes any unintended consequences for the construction industry or other actors in the society. This is based upon Merton's (1936) concept that purposive social actions can generate unanticipated consequences. To be able to examine the research problem, the study will be conducted through the use of qualitative research interviews. It should be emphasized that the study derives from a Swedish context, regarding how the insurance industry and how it operates is legislated by the state, as well as how the general contract conditions within the construction industry are structured. The results might therefore not be directly applicable on other national contexts, or on other insurance relations (Larsson & Lönnborg, 2018:101:115–116).

The research questions are intended to capture how the insurers and actors from other relevant professions, discuss how the insurance industry can regulate the crime prevention practices undertaken in the construction sector and what consequences this can generate. The questions are formulated as following:

- To what extent does the insurance industry consider that they work crime preventive towards the construction sector?
- What possibilities and limitations does the insurance industry consider are inherent in their crime preventive work towards the construction sector?
- What conclusions can be made about the insurance industry's ability to act crime preventive towards the construction sector, based upon the perceptions of the interviewees?

3. Previous research

Since there is a lack of previous research in relation to the area of inquiry, this chapter consists of two themes, that together provide an overview of the scientific context that the study derives from. The first theme describes the insurers through the concept of third-party policing, and how the insurance industry can steer other actor's crime prevention practices. The second theme describes thefts on construction sites and its relation to the all-risk insurance.

3.1 Third-party policing – the role of the insurance industry

The insurance industry is, according to Stenström (2018:478), one of the most influential actors of third-party policing, since they can provide financial incentives for their policyholders to constrain criminogenic opportunities in their everyday lives. The reason why it has acquired this unique position is because the state due to fiscal constraints, fails to provide sufficient compensation for the victims of crimes, something that is especially salient for thefts. The state has, therefore, relinquished its earlier role as main underwriter³ of the hazards embedded in the society to the private insurance industry (Anleu, Mazerolle & Presser, 1999:57). The insurance industry was in this aspect developed to protect people and companies against unforeseen events that could cause them financial harm. The concept is to distribute risks to a larger collective with similar exposure to hazards, so that the individual policyholder does not bear the sole risk alone. This is possible since each actor pays a premium that reflects the risk contributed to the risk pool (Svensk Försäkring, n.d.; Ericson et al., 2003:5).

The relationship between the insurer and the policyholder is derived from private contract law and is not a universal public service (Anleu et al., 2000:67). Although the state is no longer the most prominent actor in terms of policing and crime prevention in the market-based society, Ericson et al. (2003:26) claim that it still governs from a distance through a number of different regulatory market mechanisms, such as by providing the definition of the rule of law, by constructing the legal framework for the establishment of the contract and its

³ Underwriter refers to either a person or company that underwrites and assesses a particular risk to insure (Ericson et al., 2003:6).

enforcement and by controlling the actors on the market by the licensing of professional services, such as for the insurance industry.

The insurance industry calculates exposure to risks, using the method of *actuarialism*, meaning the use of statistical calculations of probability to make risk assessments. The problem is that actuarialism is based upon knowledge from other scientific fields. When this knowledge is limited, the insurers will underwrite risks in conditions of uncertainty. During these circumstances, underwriting rather than being based upon actuarialism, is derived from *knowledge of moral risks*, where assessments to a larger extent is based upon the subjective interpretations and intuitions of the underwriter, making it a potential source of inequality (Ericson et al., 2003:8:12:34). Similar to this vein, Litton (2010:190-191; 1987:198) claims that the crime preventive measures, suggested by the insurance industry, seldom are based upon scientific research regarding their actual effectiveness for different types of crime.

Another problem regarding how the insurance industry operates, which is presented by Anleu et al. (2000:59), is that crime prevention only is a concern of the industry when it coincides with their overall profit-maximising goals. This is the result of the private market, which is mainly driven by economic incentives. The insurance industry, unlike the state, is therefore not a neutral policing institution for the overall public good (Ibid.).

3.1.1 Financial incentives and disincentives

The insurance industry does not prevent crimes directly. Instead, they prevent crimes indirectly by persuading their policyholders to engage in crime prevention by the use of financial incentives or disincentives (Litton, 2010:161). The insurers have three main opportunities to do so: when the insurance contract is agreed upon, after a claim is made, and during the renewal date of the insurance (Litton, 1987:200).

Anleu et al. (2000:75) claim that two of the most effective tools used by the insurers to govern their policyholders are the regulation of their premiums and deductibles. As an incentive, the policyholder can receive premium discounts for implementing crime prevention measurements encouraged by their insurer. The disincentive is that policyholders that have insufficient crime prevention will be charged with higher premiums, since they constitute a larger risk to underwrite. Premiums can also be used as a disincentive when the policyholder wants to increase the cover of the insurance. The insurer can make the increased cover

conditional upon improved security measurements (Op.cit.166). The same logic regarding the incentives and disincentives applies to deductibles. To receive financial compensation, the policyholder is required to bear the first cost \$x of any loss, while the insurer will cover the costs above the agreed threshold (Litton, 2010:166). The use of deductibles is according to Ericson et al. (2003:234) regressive towards the people and places most vulnerable to theft. Since these constitute a larger risk to underwrite, the deductibles usually are so high that the losses sustained fall below the cut-off point for the insurance, and the policyholder is forced to bear the full cost of the losses. The use of premiums and deductibles are in turn coupled with each other. If the policyholder selects lower premiums this will be countered by the insurer by higher deductible structures and vice versa (Ibid.).

If the insurer cannot persuade its policyholders to engage in adequate crime prevention by the use of premiums and deductibles, they constitute too big of a risk to underwrite and the insurer as a last disincentive-resort can refuse the renewal of the insurance (Ericson et al., 2003:89). There has been an ongoing discussion within the insurance industry that the use of insurance might be criminogenic. Policyholders are believed to take fewer precautions to prevent themselves from being exposed to crimes which in turn leads to more criminogenic opportunities for potential offenders. Although this assumption has been evident for years within the industry, it is not supported by any evidence from the criminological field of research (Litton, 2010:160-161:166).

3.2 Acquisitive thefts on construction sites

Based upon crime report data collected from Brå (2020), burglary thefts on construction sites in Sweden have increased with 60 percent during the period 2013-2018, while thefts without burglaries have increased with 40 percent. The same development is evident when analyzing internal crime report data provided by a major construction company active in Sweden (diagram two in chapter 6.3). Although both sources indicate that an actual increase has occurred, it should be read with some precaution, since it also could be a result of a higher report frequency (Kronkvist & Martinez-Olsson, 2016:9). It should also be mentioned that the chosen period is of importance. When placed into a broader span ranging from 1975-2019, a similar increase occurred between 1988-1990. Both have coincided with economic booms in Sweden that have been generating more demands for construction projects (SCB, 2016). During periods when thefts increase, they should therefore be put in perspective to the total

number of projects that were conducted during the same period to create a more nuanced picture of the crime development (Munthe, Halling & Bergljung, 2002:29).

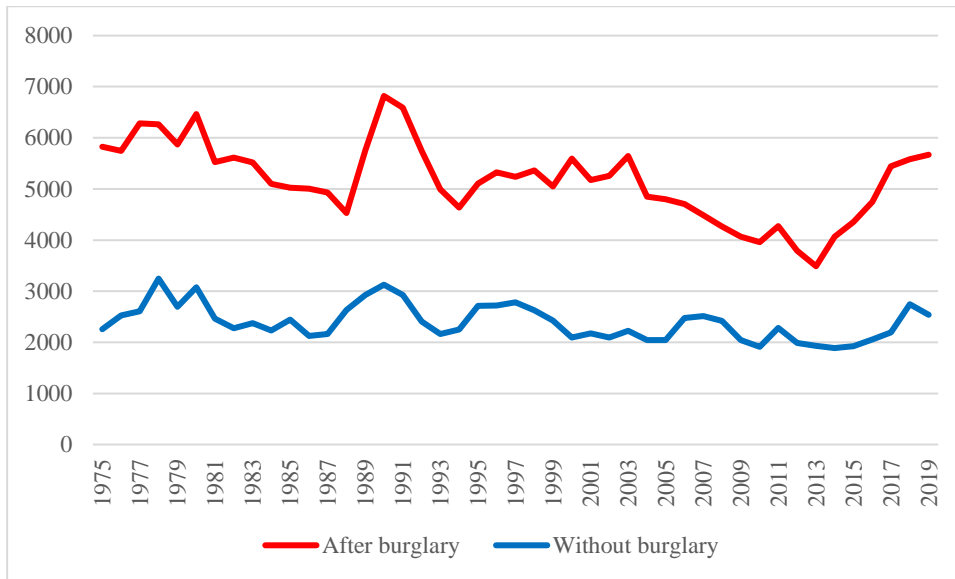


Diagram 1. Acquisitive thefts on construction sites in Sweden, 1975-2019. Data retrieved from Brå, 2020. Crime code 0822 (red) and 0884 (blue), Brå, 2019.

The direct cost of the thefts is estimated at two billion SEK yearly (Hambraeus, 2019, 15th of May). This does not include the indirect costs that affect the industry, which are more difficult to calculate, such as fines for construction delays, extended work permits, vandalization damages and increased insurance charges (Kronkvist & Martinez-Olsson, 2016:11). The yearly cost is therefore believed to be substantially higher. Munthe et al. (2002:30) claim that a multiplication-ratio of 1.5 of the direct costs, is reasonable to retrieve the total cost of the thefts. To compensate for their losses, the costs are ultimately passed onto the consumers through increased pricings for different construction projects, by what Hollinger (2010:59) describes as a crime tax.

3.2.1 The all-risk insurance and acquisitive thefts

Another reason why the costs mentioned above are believed to be higher is ascribed to the dark figure of crime within the industry, that partly is described as an insurance-related problem (Kronkvist & Martinez-Olsson, 2016:8). The insurance regulations that a business sector needs to follow vary internationally and is among other factors dependent upon the degree of governance of the state, the private insurance industry and the interests from the organizations within the sectors (Ericson et al., 2003:6-7; Larsson & Lönnborg, 2018:119-

120). In Sweden, the construction companies' insurance obligations are defined by the general contract conditions, developed by the contract committee of the construction sectors (Byggandets Kontraktkommitté, 2004). The companies are obligated to have an all-risk insurance⁴ that is active when they conduct projects. The insurance provides financial coverage towards the entrepreneur's property if damages occur, such as for thefts of construction materials and tools. The deductible under the insurance is not allowed to exceed three price base amounts. One price base amount was 2020 set by the Social Insurance Code to 47 300 SEK (SCB, 2020). Compensation for crimes are however defined by Byggandets Kontraktkommitté (2004) as a general exception under the insurance and is stated as following:

Compensation is not given for damage through theft, fraud, embezzlement or similar property crimes. However, compensation for damage through theft is given if the time for the crime can be specified, and if it with regard to the value and theft-attractiveness of the property, together with that other reasonable safety precautions in relation to the conditions in general has been made (Ullman, 2017:170-171).

Compensation is thus only disbursed if the damage could not have been foreseen, and is determined in relation to the general exceptions above. However, despite that the general contract conditions under the all-risk insurance are seen as commercial practice, it is a non-mandatory default provision, and is thus negotiable. Therefore, it is not regulated by Swedish law (Byggandets Kontraktkommitté, 2004:3).

To return to the discussion of the dark figure above, the construction companies under the all-risk insurance constitute a risk pool that is underwritten by the use of high deductibles. This requires that the thefts, to be financially covered by the insurance, are comprehensive. Because of this a lot of the thefts, such as the ones of handheld-power tools, usually fall below the deductible-threshold and are not reported by the construction companies either to the police or their insurance companies since financial compensation cannot be claimed (Ullman, 2017:58; Kronkvist & Martinez-Olsson, 2016:8; Munthe et al., 2002:7-9).

⁴ This is an abbreviated description. For a comprehensive description of the all-risk insurance, see Ullman (2017).

4. Theoretical anchoring

To fulfill the purpose of the study, an assembled theoretical framework has been constructed where the inherent theories will be described from section 4.3 and onwards. The use of a multi-theoretical approach is motivated, since it generates better opportunities for knowledge constructions regarding the subject of inquiry and corresponds to the bricolage research method (see section 5.3) (Rogers, 2012:2). Initially, Cohen and Felson's (1979) original routine activity theory will be accounted for. Thereafter, both Clarke and Eck's (2003), and Sampson et al.'s (2010) modification of the theory, including the additional layers of *controllers* and *super controllers* will be presented. It is beyond the scope of this paper to describe the full extent of the theory, since it has been expanded several times since it was originally published (Eck, 2003:88; Miró, 2014). Therefore, the focus is on describing controllers and their relationship to super controllers. In the last two sections, Reynald's (2010) factors for what makes guardians *capable* in their crime prevention, as well as Merton's (1936) concepts about *purposive social actions* and *unanticipated consequences* will be described.

4.1 Understanding crime – a routine activity approach

Cohen and Felson (1979) claim that the three elements: motivated offender, suitable crime target and absence of capable guardians, are the minimum necessary conditions for a crime to occur. This relationship is commonly referred to as the crime triangle (Clarke & Eck, 2003:26). Cohen and Felson (1979:589) locate the opportunities to commit crimes in the structures of the routine activities that guide people in their everyday lives. Since the approach focuses on spatial and temporal situations that constitute opportunities for offenders, it is closely interconnected with opportunity-, situational-, and ecological/environmental criminological theories (Miró, 2014:4-5; Cohen & Felson, 1979:588; Clarke & Eck, 2003:26; Mui & Mailley, 2015:48). The theory can be described as an overarching attempt to identify crime patterns at a societal macro-level (Miró, 2014:1). The assumption is that offenders make rational decisions within the frame of their cognitive limits and in regard to available information in different situations. The decisions are believed to be based upon factors such as the offender's appraisal of rewards, risks, and efforts (Weisburd et al., 2016:44; Mui & Mailley, 2015:48). Despite being widely deployed, the theory also has received critique,

primarily because it assumes that offenders act rationally in their decision-making processes. As an example, some offenders commit crimes when they are under the influence of substances, and might therefore not act rational, something that disrupts the framework of the theory. However, this issue is more prevalent for violent crimes that are steered more by the emotions of the offenders, than it is for property crimes (Bernard, Snipes & Gerould, 2010:26). Therefore, the theory is still seen as suitable for the purpose of the study, where the focus is on acquisitive crimes.

Cohen and Felson (1979:589) claim that the removal of one of the three above mentioned elements is sufficient to prevent crimes. From a crime prevention perspective, the situational control of targets and places, through the use of capable guardians, have been especially salient (Mui & Mailley, 2015:48-49), and is the element that has been further modified by Clarke and Eck (2003) by the additional layers of handlers and managers, and by Sampson et al. (2010) through the additional layer of super controllers.

4.2 Extended routine activity approach: second layer of controllers

Clarke and Eck (2003:26-27) have extended the original concept of guardians, to also include the concept of handlers⁵ and managers, that together constitute what is defined as controllers. Controllers are seen as pivotal for crime prevention, since it is when they either are absent or ineffective that opportunities to commit crimes occur (Ibid.).

Guardians are either human actors or security devices that are intended to protect a target. Although the police as a formal actor can be included in the definition of the concept, it is more common that it refers to third-party policing through either hired security personnel or ordinary citizens as informal actors (Cohen & Felson, 1979:590; Felson, 2010:86). The controller that is responsible for a specific location and the functioning of the place is termed place manager (Mui & Mailley, 2015:49). According to Weisburd et al. (2016:48), inadequate place management is a prominent explanation for why crimes concentrate on certain places.

⁵ Handlers are persons with personal attachments with offenders, and can because of this retain offenders from committing crimes (Clarke & Eck, 2003:27). This controller is not relevant for the purpose and will not be discussed further.

4.3 Extended routine activity approach: third layer of super controllers

Tilley (2014:139) provides a useful explanation as to why some controllers are inadequate in their crime prevention, by the distinction of responsibility and competency. The persons responsible for the controlling of crimes at certain places are not necessarily the ones that possess the knowledge and competency needed to prevent them. In a similar fashion, Sampson et al. (2010) have examined the mechanisms underlying why controllers fail to prevent crimes, by extending the routine activity theory to include the concept of super controllers. Controllers are often displayed as ineffective, simply because they do not have enough incentives to act otherwise. The institutions, organizations or people that can provide incentives for the controllers to prevent crimes are defined as super controllers. These controllers do not influence the criminogenic conditions surrounding a target in a direct fashion, but influence them indirectly through the use of handlers, guardians and managers, something that is illustrated by the extended crime triangle below. The relationship is bidirectional, since the controllers can generate some resistance regarding how effective the crime mechanisms that the super controllers direct towards them will be. In addition, controllers can have relations with multiple super controllers (Sampson et al., 2010:40:49-50).

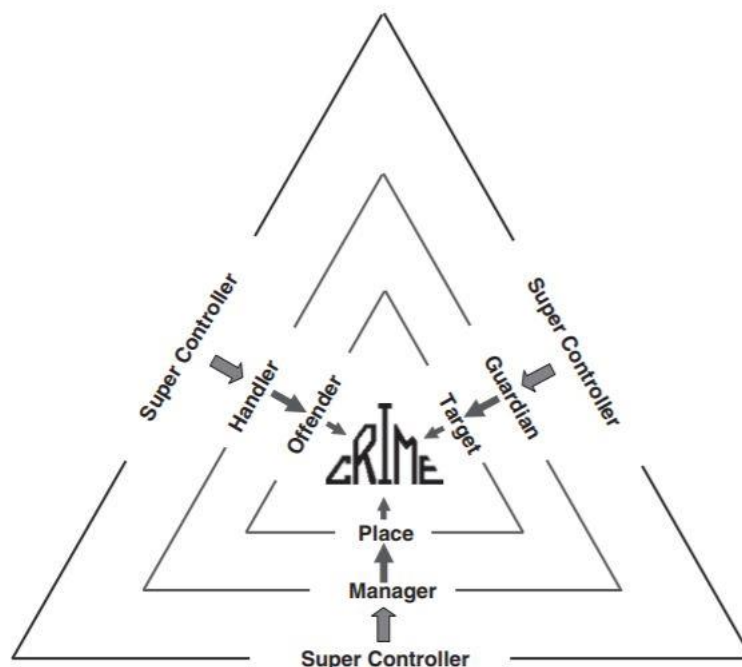


Figure 1. Extended crime triangle, including controllers and super controllers.
Retrieved from Sampson et al. (2010:40).

The persons, organizations or institutions that constitute a super controller vary widely, and it is beyond the scope of this paper to describe them all⁶. Of relevance is Sampson et al.'s (2010:41-42) typology formal super controllers and subcategory financial super controllers. Super controllers, such as banks and insurance companies, have formal-financial relationships with the controllers. This occurs within an institutional setting with a clear hierarchical order, where the former is in power position through its financial authority. Financial institutions as super controllers have a self-interest in the controllers' abilities to prevent crimes, since the economic losses of the controllers also can affect the super controllers (Ibid.).

Super controllers can change the controllers' incentives to prevent crimes by the use of four mechanisms⁷: *effort*, *risk*, *reward* and *excuses* (Sampson et al., 2010:45; Mui & Mailley, 2015:50). Effort is the use of financial costs or exertion. Super controllers can either make crime prevention cheaper or easier to implement or increase the exertion needed to oppose suggested interventions. Risk refers to the manipulation of penalties imposed on the controllers when they do not implement sufficient measurements. As an example, the insurance industry uses financial threats of increased insurance charges to control that satisfactory crime prevention are withheld by their policyholders. Incentives can also be provided through the use of rewards. The insurance industry can generate incentives, by rewarding their policyholders with discounts on either premiums or deductibles, if certain measurements are implemented. The excuses used by the controllers as reasons for not implementing crime prevention measurements can also be manipulated. One of the more effective ways is when an entire industry creates an industry standard, making it difficult for individual companies to operate outside the accepted guidelines. Another example is when super controllers provide the controllers with information or educational programs regarding how they can improve their crime prevention (Sampson et al., 2010:45-47).

4.4 Super controllers – are they “capable”?

According to Reynald (2010:358), much research within the criminological field has emanated from the routine activity theory, with a focus on how controllers can prevent crimes. However, far less work has focused on what makes controllers capable of their crime

⁶ For a comprehensive explanation of super controllers, see Sampson et al. (2010:41-45).

⁷ A fifth mechanism, *provocation*, can be used when the controller is an individual. The explanatory value of the mechanism has been disputed and is therefore excluded. For further elaboration see Sampson et al. (2010).

prevention practices. Therefore, more theoretical attention should be directed towards the concept of capable guardianship to understand victimization (Ibid.). Reynald (2010:358-359) highlights three key factors that are decisive for whether a guardian is capable of preventing crimes: *the situational ability* to detect crimes, *the willingness to supervise* and *the willingness to intervene*. To align with the purpose of the study, the concept of capable guardianship is redefined as capable super controllers. The situational ability to anticipate crimes is defined as the super controller's knowledge regarding places in relation to the concept of space (Weisburd et al., 2016:17; Reynald, 2010:360). Supervision refers to the ability to regulate the conduct of others through different forms of surveillance, and willingness to intervene to the super controller's inherent incentives to prevent crimes (Reynald, 2010:362-363:365).

4.5 Unanticipated consequences of purposive social actions

Sampson et al.'s (2010) theory lacks an analysis, regarding what potential consequences the crime prevention mechanisms that the super controllers direct towards the controllers, can generate for the involved actors or the broader society. Therefore, Merton's (1936) distinction between purposive social actions and unanticipated consequences will be used to complement the theory⁸.

A purposive action occurs when an individual has an underlying motive, where a choice is made between different alternatives. The choice of action, in relation to other possible alternatives, can be both rational and irrational, and is regardless decoupled from what the individual sees as a success or failure of the act. The actions can be either unorganized or organized, where the latter refers to when individuals form associations to achieve common goals. Since the insurance industry is a financial institution, their choices emanate from the organized form. Unintended consequences derived from purposive actions, are not necessarily undesirable for the person who conduct the act, and can affect the person in a direct manner, or indirectly other actors in the society where the consequences are mediated through social structures or cultures. Consequences are in turn limited to the elements in a situation, which would not have occurred without the specific choice of action (Merton, 1936:895-896).

⁸ Merton (1986) has in a succeeding article discussed the consequences of actions through the concepts of manifest and latent functions. In line with Elster (1990:12) and Helm (1971), I am of the opinion that the terminology in the former work is more appropriate to generate a basic understanding regarding the consequences of actions, underlying the choice of concepts in this study.

Consequences should therefore be understood as the result of a choice of action in a specific situation, something that Merton (1936:895) describes as the *conditions of actions*.

5. Method

First the research design will be presented. This is followed by a description of the epistemological and analytical approach. The succeeding two sections contain information about the choice of methods: semi-structured interviews and bricolage. The remaining two sections describe the selection of interviewees and the trustworthiness of the study.

5.1 Research design

The methodological point of departure is semi-structured research interviews, where the epistemological perspective is social-constructionism. The research approach is iterative-inductive. The translational and analytical process is conditional upon the interview guide, which contains both a thematic and dynamic dimension. The interview style is assertive. The transcripts will be defined as texts that are open for an analysis that exceeds the verbal communication of the interviews. The text analysis will be based upon a bricolage method, containing a composition of different technical- and methodological discourses. Inherent in the method is that the transcripts will be analyzed from an interpretive perspective, where the focus is on deriving theoretical interpretations of the texts. Sampson et al.'s (2010) extended routine activity theory, containing the additional layer of super controllers, Reynald's (2010) theory of capable controllers and Merton's (1936) concept of purposive actions and unanticipated consequences, will be the theoretical tools during the analysis. The passages of the transcripts that are interpreted as theoretically relevant will thereafter be thematically categorized in relation to the interview guide. Since the themes are formulated beforehand, the categorization is selective.

5.2 Epistemological perspective and analytical approach

The epistemological approach is social-constructionistic. The assumption is that the reality is seen as socially constructed by different actors, and is therefore multi-faceted rather than absolute (Alvesson & Sköldbberg, 2018:18:29). With reference to the interview as the choice of method, this means that knowledge production is conditional upon the contextual interaction between the interviewer and the interviewee, their inherent preunderstandings and knowledge about the subjects for discussion, and are ultimately created through the

interaction structure of questions and answers between them (Kvale & Brinkmann, 2014:76-77).

The analytical approach will be iterative-inductive. This means the rejection of any assumed linear inductive or deductive research process. Instead the process of obtaining and analyzing the empirical data will be conducted in a parallel fashion, and is described as a spiral rather than a linear approach. This also means that the research process oscillates between more volatile constructions of the theory and the data, where these parts are interpreted and re-interpreted in relation to each other (O'Reilly, 2009:14-15; Alvesson & Sköldbberg, 2018:5).

5.3 Methods and methodology: semi-structured interviews and bricolage

The method used to obtain the data is semi-structured research interviews, meaning interviews conducted face-to-face by the use of an interview guide, containing certain topics and questions that are believed to be relevant to answer the purpose of the study. The choice of method is motivated, since research interviews are professional conversations, that primarily are used to gather information and produce knowledge (Kvale & Brinkmann, 2014:18). Interviews are also used to develop meaning from how humans experience their life-worlds from their own point of view. In addition, the lack of previous research makes the choice of interviews logical to examine the area of inquiry. The method therefore aligns with the purpose and methodology of the study (Ibid.). To retain a flexible approach, the design of the guide has been iterative, meaning that it has been slightly amended during the course of the work, to better align to the adaption of new circumstances presented during the interviews (Kvale & Brinkmann, 2014:145). This is a process that Dalen (2015:25:40) in turn states is useful to improve the content of the guide. The interviews will be conducted by the use of an assertive style, meaning that the production of knowledge is the result of active participation both by the interviewer and interviewee, where the statements of the latter can be contested rather than be taken for granted (Kvale & Brinkmann, 2014:127-128).

In conformity with Dalen (2015:73), the transcribed interviews will be defined as texts that are open for an interpretation process that exceeds the verbal communication of the parties. The method acknowledges that certain passages of a text are of more importance than others to understand the meaning that actors ascribe to different social phenomena (Esaiasson, Filljam, Oscarsson, Towns & Wängnerud, 2017:211-213). The transcripts are analyzed by a

bricolage method, meaning the researcher’s individual composition and adaption of different technical discourses, methods and concepts, that are used to create the meaning of the text. The methodological approach can therefore also be described as eclectic (Kvale & Brinkmann, 2014:281). Rogers (2012:1-2) defines the bricolage method as a multi-theoretical and multi-methodological approach to inquiry, characterized by an emergent and flexible research design, that generates more unique opportunities to knowledge constructions. The method is seen as suitable, since the overarching aim is to generate knowledge regarding the insurance industry’s role as a third-party policing actor in relation to the construction industry (Ibid.).

Based upon the bricolage method, the transcripts will be analyzed from an interpreter perspective, meaning that the researcher has the interpretive-prerogative (Bergström & Boréus, 2012:31-32). This is motivated by the fact that the study, as described by Kvale and Brinkmann (2014:283), is oriented towards deriving theoretical interpretations from the texts. This analytical process is conditional upon the structure of the interview guide, which has been constructed by the use of both a thematic and dynamic dimension (Dalen, 2015:86-87). The former refers to the formulation of research questions that are connected to the theoretical conceptions of the study, intended to generate knowledge production. The latter refers to the operationalization of the research questions to more easily understandable interview questions that are free from academical jargon (Kvale & Brinkmann, 2014:45:172-173). The passages of the transcripts that are interpreted as theoretically relevant will thereafter be thematically categorized based upon the structure of the interview guide (Op.cit.241:243). Since the themes in the guide are formulated beforehand, the categorization is best described as selective (Dalen, 2015:82). The table below displays the thematical categorization of the relevant passages in the transcripts based upon the interview guide.

Thematical categorization:
Formal financial super controllers’ (insurance companies) mechanisms to prevent crime
The insurance industry’s crime prevention capability
Actuarialism and data retrieval
Purposive actions and unanticipated consequences

Table 1. Thematical categorization of the interview guide.

5.4 Ethical considerations and selection of interviewees

In terms of ethical considerations, the Swedish review act (2003:460) has been used as a template, regarding the requirements that the participants are being informed about the purpose of the study, give their consent to participate, and that their confidentiality is upheld. During the initial contact with potential participants, they received an introduction letter by mail, containing the information required about the study, so that informed consent could be retrieved. The letter described the research principal, the purpose, the methods, and that participation is voluntary and at any time can be canceled. Also included was a more thorough discussion about the potential benefits and risks that the research can generate for the participants and other societal actors. This has also been of ethical consideration for the conduct of the study as a whole (Dalen, 2015:24-26). The main risk is that the results indicate that the Swedish insurance sector has flaws as a third-party policing actor towards the construction industry, due to factors such as inadequate actuarialism or organizational interests. As mentioned in the introduction and under the previous research section (3.2), the acquisitive thefts indirectly affect the consumers through increased prices for construction projects, by the use of a crime tax. The problem is also socially latent, since it is not acknowledged to any greater extent in the society (Loseke, 2010:10). Therefore, in conformity with Marshall and Rossman (2016:52-54), I argue that the potential benefits from the research, that is of use for the broader society, outweigh the aforementioned risks associated with it.

The interviewees have been made with reference to the concept of theoretical selection, where the actors are intended to reflect the variation of the different dimensions in the phenomena that are examined (Dalen, 2015:55). This approach has not been entirely successful, and can at best be described as a semi-theoretical selection. This is because contact with actors at organizations whose input would be of relevance, such as the construction industry's branch and employer organization builders, and the non-profit association Byggandets Kontraktcommit , that focuses on negotiating terms for the standard contracts within the construction industry, could not be established. Despite the semi-theoretical selection, the interview material is deemed as sufficient, in terms of quality and in regard to the different dimensions of the area of inquiry that the interviewees are intended to represent. The material therefore constitutes an adequate basis for the forthcoming result and analysis, and for the

overall generalisability of the study (Op.cit.55:58-59). A total of nine persons with positions either as underwriters or damage assessors at five different insurance companies were interviewed. Two of the companies operated solely in Sweden, while the remaining operated mainly on the Scandinavian- but to some extent also on the European insurance market. In addition, one insurance and one security manager at a major construction company operating in Scandinavia, and two activity specialists [Swedish translation in singular: verksamhetsspecialist] at managerial positions within the operative framework of the police, relevant for study's area of inquiry, were also interviewed. The interviews were conducted during the months of February and March. With respect to the confidentiality of the participants, their employer's names will not be disclosed. The exception is the name of the police, based upon that it is a state administrative authority. The pseudonym "Respondent" followed by letters in alphabetical order will be used that specifies the total number of interviewees that are referred to in the text. The results in the forthcoming chapter are based upon a total of thirteen interviews with a duration between 60-90 minutes each, generating transcripts amounting to approximately 440 pages (Kvale & Brinkmann, 2014:156; Dalen, 2015:27).

5.5 Trustworthiness

The trustworthiness of the study is discussed through the qualitative concepts of reliability, construction- and result validity, and analytic generalization. Reliability refers to being consistent in terms of how the obtained data from the interviews are interpreted. Since the transcripts will be analysed as texts, the reliability refers to theoretically uniform and transparent interpretations of the transcripts, following the interpretive-prerogative perspective (Bergström & Boréus, 2012:42).

Construction validity refers to how well the theoretical language corresponds with the operational indicators. If there is a mismatch in the translation between the two dimensions, this will generate systematic errors that flaw the result validity of the study. Since concepts such as super- and capable controllers are used, the abstraction level is high, making the translation practice open for critique. Since the area of research is underdeveloped, I cannot work in a cumulative fashion and rely on operationalization strategies implemented by previous research (Esaiasson et al., 2017:58-61). The translation practice has instead been made by the use of an interview guide containing both a thematic and dynamic dimension

(Kvale & Brinkmann, 2014:147). A potential critique regarding the translation practice can be counteracted with reference to that a trade-off has been made, where the high abstraction concepts are necessary to answer the purpose of the study (Esaiasson et al., 2017:60-61).

The ability to generalize is, according to Tracy (2010:845), the same as the resonance of the study, referring to if the results are theoretically valuable over different forms of contexts or situations. This generalization is motivated with reference to Yin (2018:38), since the study contributes to the theory building of third-party policing directed towards the construction industry, in relation to the theories and concepts described under chapter four. This is motivated further by Rogers (2012), who claims that the bricolage research method by its flexible approach, using multiple theories and methods, is suitable for generating more comprehensive knowledge constructions. The results are also intended to be generalizable to similar situations, although with more precaution in relation to other international contexts.

6 Result and analysis

The result and analysis will be presented jointly. First the insurers' capability to act as super controllers through their situational knowledge will be presented. This is followed by a section about what crime preventive mechanisms the insurance companies, as formal and financial super controllers, use towards the construction companies. The last section contains information about what consequences the insurers' purposive actions generate for the construction companies within the frame of the all-risk insurance.

6.1 The ability to prevent crimes – the unawareness of context

Reynald (2010:360) states that a fundamental prerequisite of a capable controller is knowledge about the context that potential crimes occurs within, defined as the situational ability to prevent crimes. The overarching result, presented by all nine of the interviewees working within the insurance industry, was that knowledge about the situational context of the construction sites, is inadequate as a result of how the insurance companies are structured and operate towards their policyholders.

We have not done any more thorough analysis of where the acquisitive crimes do occur. Is it in Stockholm, Gothenburg, Malmö or in Norrland? Is it within or outside the urban areas? We try to do such a risk assessment to some extent. But for the construction industry it is problematic, since a company can be based in Stockholm but the actual projects can be conducted elsewhere (Respondent E).

What is narrated is a lack of knowledge from the insurance industry of the internal characteristics of the construction sites as places, as well as their situation in space. This generates an unawareness of geographical explanations, referred to as *flag explanations*, as to why some places, by their site- or situational characteristics, provide better opportunities for offenders to commit crimes (Weisburd et al., 2016:36-38). As super controllers, they use a more uniform application of crime prevention incentives towards the construction companies, rather than specialize these based upon the geographical differences of the sites (Respondent C; Respondent D). Another explanation presented by the respondents, as to why their situational knowledge is inadequate, is because the construction projects only are active during a limited period of time and thereafter are dismantled. To generate situational knowledge of each individual project is not seen as sustainable, in regard to either the

insurers' financial capability or their workforce (Respondent B; Respondent K; Respondent L). A parallel can be drawn to the findings in Boba and Santos (2008:249), who conclude that the transitional character of the construction sites is problematic from a crime preventive perspective, since it makes situational risk factors for crimes harder to identify. As a result, the insurers' risk assessments and pricing of the insurance are based upon inadequate actuarial logic. Both Anleu et al. (1999:67) and Ericson et al. (2003:8) conclude that lack of statistical information and knowledge, regarding how actors constitute different risks for criminal victimization, results in flawed underwritings based upon uncertainty and subjectivity. This analysis is strengthened with regard to that the uniform standpoint among all the interviewed insurers, is that their risk assessments are based upon the subjective interpretations and earlier experiences of the underwriters. This result is coherent with the findings in Litton (2010:191), where he states that crime prevention within the insurance industry internationally is based upon the intuitions of the individual insurers, rather on knowledge from the criminological field. This does not imply that the insurers are ineffective to prevent crimes, only that they by acknowledging existing research could achieve better results (Ibid.).

The risk assessment is to a large extent based upon the individual underwriter's own personal experience and knowledge regarding what works in terms of crime prevention (Respondent A).

In turn, this affects both the pricing of the premiums and deductibles as well as how claims should be compensated. As a senior underwriter concluded upon the topic of how they conduct their risk assessments:

The risk exposure for crimes should logically be reflected in the premium, but it is very complex in relation to the construction industry, since the insurance is based upon where the companies are stationed rather than where they conduct their main projects (Respondent E).

In this aspect, in conformity with how Reynald (2010:360) resonates regarding the concept of situational ability, the insurance industry as a super controller can be described as having a suboptimal capability to prevent acquisitive crimes. However, a part of this limitation is a result of that actuarialism is dependent upon scientific knowledge from other fields of research. Since crimes within the construction industry is an underdeveloped area within the field of criminology, the insurance industry is affected negatively by this, and has to

underwrite risks and operate in circumstances characterized by more uncertainty (Ericson et al., 2003:8).

6.2 The willingness to supervise – super controller incentives

Supervision refers to the super controllers' abilities to generate crime prevention incentives towards the controllers (Reynald, 2010:363; Sampson et al., 2010:37). According to the interviewees, the three most conventional mechanisms that the insurance industry uses to influence the construction companies' incentives to prevent crimes, is by regulating their premiums or deductibles, followed by the refusal to renew their policies.

Ultimately if you have too many damages as a policyholder there are three ways to handle it. Either we raise the premium, raise the deductibles or we refuse to renew their policy (Respondent F).

The most common mechanism used by the super controllers was directed towards manipulating and increasing the risk for penalties imposed upon the construction companies for not taking adequate crime preventive measures, as described by Sampson et al. (2010:46). This form of manipulation is, according to Litton (1990:9:37), the standard procedure to regulate the conduct of the insureds. That increasing risk is an effective crime mechanism, is also confirmed by an insurance manager at a major construction company operating in Scandinavia:

The insurance companies have tremendous opportunities to steer the behaviours within the construction industry. We adapt ourselves constantly after what they stipulate as requirements in their insurance conditions in relation to the pricing of the premium and deductible (Respondent G).

The construction companies could also, to a limited extent, obtain discounts on their premiums for implementing additional crime preventive measurements, beyond their mandatory security requirements. Only one of the represented insurance companies used this incentive actively in their crime-preventive work, aimed towards when GPS-trackers were placed on tools that were defined as theft-prone property (Respondent C; Respondent D). The common standpoint, among the remaining interviewed insurers, was however that the reward is a potential reduction of the premium over a longer period of time, usually defined as a

minimum of a twelve-month period. This line of reasoning is illustrated by the two quotes below:

We do not really work in that way. The reward is that we look at how much they pay in premiums, and then take into consideration when we decide their premium, often on a yearly basis, if they constitute a good risk (Respondent F).

We have had our share of projects with DNA-labelling, but we have not seen this as a particular proactive measure, but rather as a reactive one so that we afterwards can try to obtain the stolen items. We cannot see that it should generate a premium reduction (Respondent E).

What the interviewees are expressing, is that proper crime prevention is the prerequisite for the insurance in the first place, generating a reluctance to offer these kinds of discounts. This line of reasoning is not unique, but rather represents the general practice within the insurance industry (Litton, 1990:9:37). That discounts to a large extent are being neglected by the respondents is unfortunate, since this is believed to be one of the best available motivators that can be directed towards the policyholders to increase their crime prevention practices (Op.cit.10). As super controllers they therefore do not, with few exceptions, work with rewards as crime preventive incentives. This spills over into the incentive of effort, referring to how the insurers can make it more difficult for the controllers to avoid non-compliance with crime preventive measurements (Sampson et al., 2010:45-47). The unanimous opinion that emerged from the interviews was that little exertion, as to avoid non-compliance, could be generated. The explanation is that there are too many actors working with insurance policies towards the construction industry, making it easy for the inherent companies to shift to insurers with less strict demands on crime prevention. Therefore, despite that the thefts are being framed as a societal problem, no insurance company wants to be at the forefront with generating what is described as worsening policy conditions in terms of harsher safety precautions for their policyholders.

As an insurance company, you do not want to be the first actor in line to generate such an impairment [harsher policy conditions] for your clients, even though all insurance companies probably want it to happen (Respondent C).

As super controllers, the insurers thus have a limited capacity by the use of effort to generate more incentives for the controllers to prevent crimes (Sampson et al., 2010:45). This can be explained by the concept of *embracing risk*. In the market economy, financial institutions have the discretion to decide their own criteria for whom to accept as policyholders, and to decide what inherent risk they constitute (Ericson et al., 2003:29:35). This corresponds with Litton's (1990:90) findings, who claims that the free market without a legislated scale of protection towards theft-insurance, leads to that policyholders can transfer to other insurance companies, if they find their current contracts as unsatisfactory. Ericson et al. (2003:73) also claim that hardened competition among insurers, leads to a reduced use of effort as a crime mechanism. In situations characterized as having high economic stakes, the insurers themselves engage in behaviors that put other actors at risk, including competitors and their own policyholders, by neutralizing what in other circumstances would be defined as risky behaviours (Ibid.).

The last mechanism that the insurers use is the regulation of the controllers' excuses for not taking preventive actions, by providing information about how they can improve their ability to prevent acquisitive thefts. The main methods used to distribute this kind of information is through their websites and by the use of pamphlets, containing general crime preventive recommendations. Due to limitations in terms of both staff- and economic resources, largely derived from the increased competition on the market, the insurance industry does not work particularly active with distributing information by other means (Respondent D; Respondent E). Another prominent reason, presented as to why they have problems, is due to the long lines of subcontractors within the construction industry, making it difficult to mediate information (Respondent B; Respondent H; Respondent I). This is an issue for the insurers, since the subcontractors also are included in the main contractors overarching all-risk insurance (Ullman, 2017:33). How the insurers see the issue with providing information is summarized by the quote below:

You can never reach everybody, especially not in relation to how the construction industry is structured today. One contractor can have maybe up to fifty different subcontractors on the construction site. A lot of the subcontractors are foreign and do one job here, one job there and then travel back home. Then new foreign workers arrive. Under those circumstances, it is extremely hard to create continuity and mediate knowledge regarding crime prevention (Respondent A).

Due to the fact that the construction industry consists of a lot of subcontractors, the insurance companies as super controllers, have limited possibilities to manipulate and change the controllers' incentives to prevent crimes, by the use of excuses as a crime mechanism (Sampson et al., 2010:47).

6.3 The (un)willingness to intervene? – The unanticipated consequences of the insurance

A reoccurring standpoint among all respondents, was that the insurance companies have no interest, nor possibility to cover all financial damages that struck the construction industry. The insurance is intended to cover the policyholder against more severe financial costs, such as those that occur during fire- and water damages. Acquisitive thefts are instead defined as a frequency damage, and a financial risk that the policyholder to a large extent should cover alone. Therefore, the thefts are mainly described as an inherent business risk of the construction sector, rather than being framed as an insurance matter (Respondent B; Respondent L; Respondent M).

It is an important parameter for the customer to know that minor economic damages have to be seen as a form of business risk. The insurance can never cover them, for then there is no insurance left for other types of damages. That is not economically sustainable (Respondent F).

As a result, the insurers stipulate the deductibles at high levels, reducing the possibility for their policyholders to obtain financial compensation for the majority of the thefts that occur (Respondent A; Respondent C; Respondent M). It is common to set the deductible towards smaller- and medium-sized construction companies, which constitute the majority within the industry, in the range between 0.5-1 price base amount. For larger companies that operate nationwide or internationally, such as Skanska, Peab and NCC, the deductible is usually instead the maximum of three base amounts (Respondent J; Respondent K; Respondent L).

The average cost of acquisitive thefts on our construction sites is ranging around 30 000-40 000 SEK. To obtain a deductible on a similar level to receive financial compensation from our insurer for those cases is impossible for a company of our size (Respondent G).

In accordance with how Merton (1936) relates to the concepts, the insurance industry's formally organized and purposive choice to focus on providing coverage for their

policyholders during the events of larger financial damages, while they for economic reasons exclude coverage for frequency damages, leads to the unanticipated consequence that the construction companies to a large extent act as they are uninsured in relation to acquisitive thefts.

The effect probably is that the entrepreneur cannot rely on the insurance. There is some sort of feeling that thefts are not something you can expect to receive any compensation for (Respondent G).

This analysis is strengthened, in conformity with how Ericson et al. (2003:233) resonate, who assert that insurers often use the deductible as a means to reduce the coverage they provide for thefts. This conduct is especially regressive towards the people or places already at greater risk of being victimized (Ibid.). How the deductible is used to reduce the coverage of claims, can therefore be described as regressive towards the construction industry. This is illustrated by the diagram below, displaying how many of the thefts each year one of the major construction companies in Sweden receive economical compensation for. By extension, the construction companies to compensate for their losses, pass on their additional costs to the end consumer by the use of a crime tax, by increasing the final pricing for their projects (Hollinger, 2010:59). The insurance, through how it is formally and purposively organized therefore also generates unanticipated consequences for other actors in the society, mediated through social structures, as described by Merton (1936:894).

The cost of the criminality is always going to be compensated for in some way. And in the end, it is always the consumer that will have to pay for it. It can be through increased rents or prices during the purchase of an estate or what it might be (Respondent F).

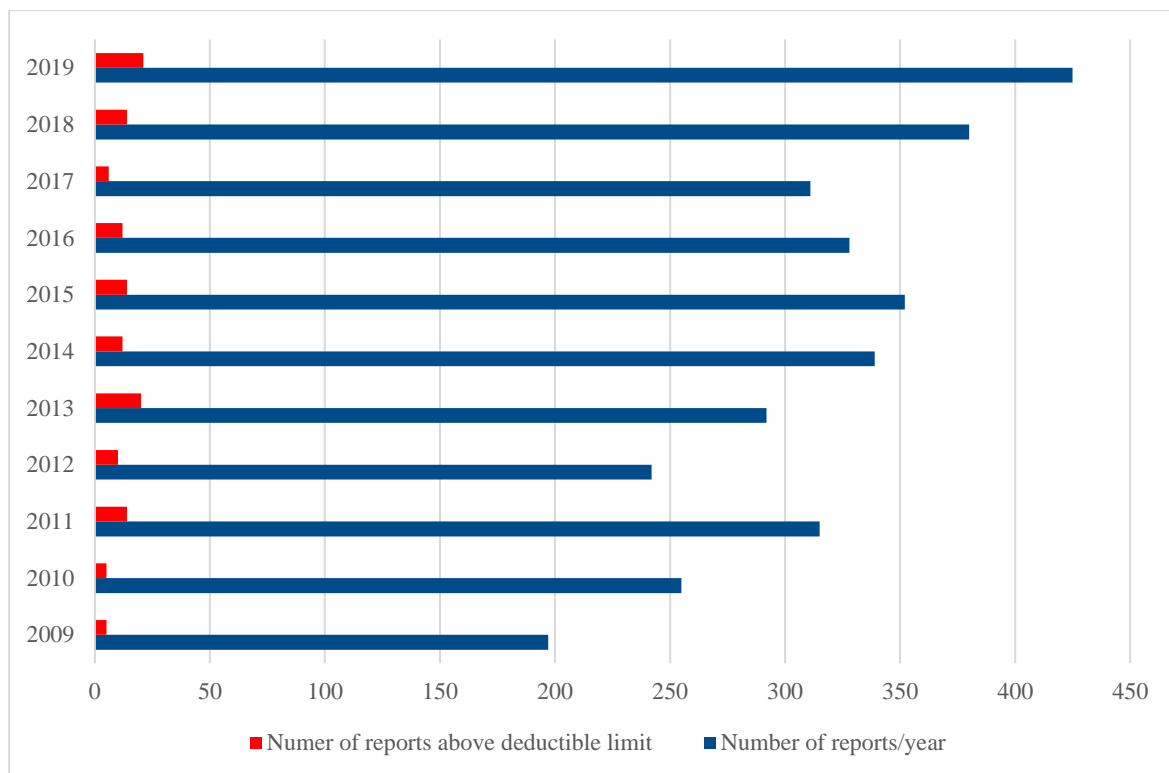


Diagram 2. Statistic retrieved from a construction company's incident report system, over the number of acquisitive thefts in Sweden they suffer from each year, and how many of them they receive economical compensation from. All reports are not redirected to the police or their insurance company. Data retrieved through personal communication, 20th of January 2020.

The majority of the interviewees shared the assumption that the economical frequency damage from the thefts, usually falls below the deductible limit, resulting in that most of them are not reported to the insurance companies or the police, because financial compensation cannot be claimed (Respondent H; Respondent I; Respondent K). This assumption is illustrated by the two quotes below. The first one is made by a security manager at a construction company, while the second is made by a police activity specialist:

The biggest problem is that the construction companies do not report the thefts to their insurers because they have no financial incentives to do so. The insurance companies are pushing away the problem by fixing the deductibles at high levels. The consequence is that the criminality is comprehensive but nobody is reporting it (Respondent M).

If we do not receive a crime report, then the crime has not happened in our world, and then it will contribute to the dark figure of crime. The economy controls everything. If there is no economic gain in reporting a crime, then you simply ignore reporting it (Respondent H).

With reference to Merton (1936:895), the purposive actions of the insurance companies to fix the deductibles at high levels, to limit economic coverage for their insurers to events of larger financial damages, result in the unanticipated consequence that the dark figure is upheld within the construction industry. This analysis is strengthened by similar but less elaborated articles on the subject, where the authors reach similar conclusions (e.g. Kronkvist & Martinez-Olsson, 2016:8; Boba & Santos, 2008:246). It should be mentioned however that purposive actions merely are factors that can generate consequences but cannot, by themselves, explain why certain outcomes occur (Merton, 1936:898). One senior underwriter exemplifies this reasoning by presenting a reformulation as to why the dark figure is present. Since the filing of a police report is a requirement to retain stolen goods in a possible future, the construction companies should for that sole reason report all acquisitive crimes to the police, regardless of their deductible level (Respondent J). The consequences of the construction companies' conditions of actions should therefore motivate rather than discourage them to report thefts (Merton, 1936:895).

I believe that minor thefts are not reported to the police because they close those cases rather than it being a result of the deductible. Instead we provide a carrot for the construction companies to file reports, since we provide economical compensation in those cases where the thefts exceed the deductible. So, it is not our fault that there is a dark figure but rather our contribution that the crimes are being reported under those circumstances in the first place (Respondent J).

The reason as to why the unanticipated consequences occur, is because the insurance industry is formally organized with the explicit purpose of generating and maintaining profit, a feature it shares with other third-party policing actors (Stenström, 2018:478). Contrary to the responsibility of the state-founded police, the primary responsibility of the insurance sector is not an exclusive commitment to the public good. Insurance companies will direct crime prevention incentives towards their policyholders only to the extent that it corresponds with their profit-maximising goals (Anleu et al., 1999:59:67; Litton, 1990:39; Stenström, 2018:478). The failure to address the crime problem can therefore be described as a consequence of the insurance industry's unwillingness as a super controller, to expand their financial resources in this area, since it can be argued that it is more profitable for them as a third-party policing actor to allow it than to prevent it (Sampson et al., 2010:38). This analysis is strengthened by the quote of one senior underwriter below, acting as a representation over

how the respondents resonate upon the insurance companies' crime preventive role in the society:

Our main business as an insurance company is not to conduct crime preventive work, that is the task of the police or the private security companies. We as an insurance company should not primarily pursue this issue, since it generates too much of a financial burden for us. It requires financial resources from the broader society (Respondent E).

The purposive actions of the insurers are hence rational, according to Merton (1936:896), in relation to attaining their goals. The insurers can therefore be described as having an insufficient capability to regulate their policyholder's incentives to prevent acquisitive thefts, since they in turn lack the inherent financial incentives to do so (Reynald, 2010:362).

In the end, crime prevention has to be paid by someone, and is that someone us then we have to increase our premiums. In the end we might end up doing it but our competitors might not. That will lead to that we cannot offer an insurance because we have become a too expensive option (Respondent F).

As a summarization, the methodological problem of determining to what extent the aforementioned consequences may justifiably be attributed to the purposive social actions of the insurance industry, needs to be discussed. Since the insurance industry is formally organized and have explicitly stated purposes, this problem is significantly reduced, since the unanticipated consequences of their purposive actions are easier to interpret than for actions that are unorganized. In addition, how the relationship is interpreted is dependent upon the combination of the general knowledge the researcher has about the actors, and if their overt actions in specific situations, in relation to their expressed purposes, seemingly makes sense. These elements have all been subject for examination in the combined result- and analysis sections. Therefore, I believe that the presented conclusions are reasonable, and that potential discrepancies in the relationship is manageable, and will not disrupt the inherent logic of the analysis (Merton; 1936:896-897).

7 Discussion

This concluding chapter will be divided into two parts. Initially, a summary over the purpose and choice of assembled theoretical framework will be discussed briefly. The following sections provide a summarization over the main findings, derived from the research questions that have steered the study. The second part presents suggestions for forthcoming research, based upon the idea that controllers are embedded in networks of relations with actors, that potentially can act as super controllers towards them with different efficiency.

7.1 Study summarization and knowledge contribution

The purpose of the study was to produce knowledge, regarding if the insurance industry as a third-party policing actor, generates incentives for the construction companies by their role as policyholders, to engage in crime prevention practices. Included in the purpose was also to examine if the purposive actions of the insurers cause any unintended consequences for the insureds. Since the area of research is underdeveloped, the possibility to work cumulative and rely on suitable theories implemented by previous research has not been possible. Instead, the assembled theoretical framework emanated from the multi-theoretical and eclectic approach inherent in the bricolage research method, to generate a more comprehensive and unique possibility to produce knowledge in relation to the area of research, as described by Rogers (2012). Sampson et al.'s (2010) extended routine activity theory, including the concept of super controllers, Reynald's (2010) factors for what constitutes capable controllers, and Merton's (1936) distinction between purposive social actions and unanticipated consequences were considered as suitable components in the framework.

The previous chapter displayed that the insurers have an inadequate situational ability to prevent acquisitive crimes. The main reason is that the insurance is established with the construction companies and not in consideration to the projects they conduct during the time of the contract. Another reason why their situational ability is lacking is because of the projects transitional character, making assessments of situational risk factors unsustainable for the insurers in terms of both financial recourses and workforce.

Regarding the insurers' abilities to regulate the conduct of their policyholders, they, besides the use of risk as a crime mechanism, generate little incentives by the use of rewards, effort or

excuses. Rewards are not commonly applied because of the standpoint that proper crime prevention is a prerequisite for the establishment of the insurance contract. The reason why little effort to avoid non-compliance can be generated, is due to the competitiveness for customers on the insurance market, resulting in the possibility for the insureds to transfer to other insurance companies if they find their current contracts as unsatisfactory. The possibilities to regulate the construction companies' excuses for not taking preventive action, are in turn hampered by the long chains of subcontractors that are included in the main contractors' insurance, making it hard to mediate crime preventive information (Ullman, 2017:33). This illustrates that the relation between the actors is bilateral rather than unilateral, where the controllers can generate a resistance regarding how effective the super controllers are when they try to address their crime problems, as formulated by Sampson et al. (2010:48-50). The resistance can be described as conscious towards the mechanism of effort, while it rather is an indirect result of how the construction companies are embedded in relation to subcontractors towards the mechanism of excuses. The evaluation of the insurers as super controllers is therefore, with reference to Reynald (2010) and Sampson et al. (2010), that they have a limited supervision ability to generate effective crime preventive incentives with other mechanisms besides the manipulation of risk.

Since the insurance companies are operating on the private market, crime prevention incentives directed towards their policyholders need to coincide with the insurers' profit-maximizing goals to be of any concern within the industry. Along this line, acquisitive thefts are defined by the insurers as frequency damages that are an inherent business risk of the construction industry, where the financial costs of the thefts should be covered by the companies themselves. Therefore, the insurers, to reduce the possibility for their policyholders to obtain compensation, stipulate the deductible at levels that the financial cost for the majority of the thefts fall below. The insurers by their actions therefore illustrate an unwillingness to intervene to prevent thefts by any more means than they already do (Reynald, 2010; Sampson et al., 2010:38). This formally organized and purposive decision by the insurance industry results in that the construction companies to a large extent act in practice as they are uninsured in relation to acquisitive thefts, despite having an all-risk insurance that theoretically should provide financial coverage for the insureds' property. This removes an important financial incentive for the construction companies to report the thefts to

the police, something that by extension leads to the unanticipated consequence that the dark figure of crime within the industry is upheld.

7.2 What's next? Suggestions for forthcoming research

The coherent opinion that emerged during the interviews was that increased cooperation is necessary to more effectively counteract the criminality within the construction industry, since the insurers themselves have reached a limit regarding how they can handle the problem within their operative framework. This corresponds to Braithwaite's (2008:58-59) concept of *webs of control*, meaning that excessive trust in one actor's capability to control another can be avoided by connecting different actors with each other that together can generate a more effective form of control. That the government should grant the customs service more authority to investigate goods leaving the country was presented as an example of increased cooperation that could be effective to counteract the criminality. The reason for the suggestion is the assumption that a substantial amount of the thefts is conducted by organized crime networks, where the stolen goods are being transported to Eastern Europe, something that is confirmed by NOA (2019). In conclusion, the implication is that the construction companies are embedded in networks consisting of multiple relationships with different social actors, that potentially can act towards them as super controllers. Therefore, the controllers' incentives to prevent crimes can be regulated by the use of many super controllers with different effectiveness, whereas the insurance industry just constitutes one (Sampson et al., 2010:47). A suggestion for forthcoming research is therefore to examine if there are other potential super controllers, besides the insurers, that are embedded in the construction companies' networks, that together can generate more effective crime prevention strategies to combat the criminality (Sampson et al., 2010:47). Since the Swedish government under the year of 2020 informed the customs service that they will extend their authority, to intervene when they encounter what they believe is stolen goods intended for exportation, this is recommended as a relevant starting point that is up to date with the societal changes within the field of crime prevention (Tullverket, 2020).

8. References

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