Service, Regulations, and Ports

An Actor-Network perspective on the social dimension of Service-Dominant Logic

Wengelin, Mattias

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PART I

Introduction

1

Introduction

The Swedish port was once an open and integrated part of many urban settings that, in a rather inconspicuous, unpresuming, but nonetheless important way, linked the city in which it was located to the larger global economy. The events of 9/11[1] however, have had dramatic consequences for Swedish ports. In the wake of 9/11, governments around the world became increasingly concerned about their vulnerability to terrorist attacks. The maritime flow of goods was quickly identified as being particularly vulnerable to the potential actions of terrorists, since the shipping industry served 90% of global trade by carrying vast amounts of goods over the seas (IMO 2009). Consequently this led to the development of international regulations aimed at protecting what are defined as potential targets or weak links in a functional society. One of these regulations was the International Ship and Port Security (ISPS) code, developed by the International Maritime Organization (IMO)[2].

1 With the 9/11 attacks I refer to the attacks on the World Trade Centre, the Pentagon and one unknown target performed September 11th 2001 by Al Qaida terrorists, events that triggered the Bush administration "war on terrorism" and a global concern about terrorism threats.

2 The International Maritime Organization is the United Nations specialized agency for dealing with issues on maritime safety, security and preventing pollution. See www.imo.org for further information.

> Moreover, when faced with the dreadful atrocities of the 9/11 attacks in the United States, how else could the Organization respond other than with a greatly heightened sense of urgency? Indeed, the continued high level of terrorist activity all over the world has confirmed that prompt action was, and remains, of the utmost importance in this respect. We have observed the vulnerability of all modes of transport to acts of terrorism and, for us, as servants of maritime transport, our concern has not been so much which country might be the next target, but which mode of transport might next attract the interest of the perpetrators of these unlawful acts. (Mitropoulos 2004, p.107)

As the quote above, by the Secretary-General of the IMO, demonstrates, a response to this new threat was urgent. The ISPS code will be fully presented and discussed in Part II, but in order to frame this study, it is necessary here to provide a little information about the code and its background. Triggered by the 9/11 attacks, the International Maritime Organization (IMO) initiated a project aiming to strengthen security within and around the maritime flow of goods. This project started in November/December 2001, just a few months after the attacks. In December 2002, a draft for new regulations was presented and acknowledged. The International Ship and Port Security Code was born and started its journey towards worldwide implementation. In March 2004 it was incorporated into European law via the 725/2004 directive and subsequently into the legislation of the various European countries (EU 2004). In July of the same year, the Code took effect on board ships and in ports all over the world. The Code, with its own history and agenda, met the practical realities on board ships and within port administrations at a distance, in time and space, to the triggering events of 9/11. Charged with the explicit task of discovering and preventing security threats, but also of stimulating the creation of a security culture, the code ultimately had an impact on the settings in which it was implemented, but not always exactly as its architects had intended.

Legally enforced security is regarded as a forceful tool to change patterns of practice (Kirwan, Hale et al. 2002, pp 2-8). Either you accept the regulations and comply with their instructions or enforcement mecha-

nisms will enter into effect, something that probably will affect your daily operations. This can prove to be problematic for a service provider (in this case the port) that is affected by the regulatory process for several practical reasons, and this also applies to studying this phenomenon from a service studies[3] perspective. Several questions arise, such as: Can you refer to actions performed (services performed) based on legal demands as service? When constituted by laws and regulations, who is actually the beneficiary, is it society in general, the regulating body, the monitoring agency or the actor that actually pays the cost of the activity, i.e. the purchaser of the original service? Social relations and exchanges within service relationships that are not based upon economic or commercial logic, such as for example legally enforced security, is not an issue that has been addressed or discussed at any length by service management scholars. Many questions arise when trying to think about regulations within a service context. These types of regulated services have not yet been included or discussed either within the old service marketing tradition (see for example Zeithaml, Parasuraman et al. 1985) or in the context of the new trends within service research.

However, contemporary service management theories do pave the way for a discussion about a dimension of non-commercial or social exchanges in services. With the introduction of what has been called *Service-Dominant Logic* (Vargo and Lusch 2004; Lusch and Vargo 2006; Lusch and Vargo 2006; Vargo and Lusch 2008) a considerable proportion of the established theories related to services as a phenomenon have been challenged. From previously having been defined as something different from the tangible things we buy (goods); a residual, services defined on the basis of what services are not, the new line of thought reversed the entire goods-dominant logic, starting with services as the point of departure, and also that services are one of the fundamental building blocks of society. Defining service as a relay of competence, the application of knowledge and skills for the benefit of another party (Vargo and Lusch 2008, p. 6), it may be argued that, in a sense, service is regarded as the

3 Service studies is a multidisciplinary perspective on service as a phenomenon. This research field will be further discussed in chapter 2.

glue that holds society together constituting something that can be described as a new "sociology of service".

I have used this theoretical perspective on service, trying to understand the effect on service providers from service exchange, as distinct from what normally constitutes a commercial relationship or a service process, the relay of competence; knowledge and skills contained in texts, passed on through meetings, negotiations, and bureaucratic systems that finally arrives in a Swedish port. As a methodological support, an analytical tool and in order to unmask as much of these service processes in question as possible, in order to understand their origin, impact, and consequences, I have turned to Actor-Network Theory (ANT) (Callon 1986; Callon 1986a; Latour 1999; Law 1999; Czarniawska 2005; Latour 2005). ANT has enabled me to analyze and describe what I have found, and has given me a terminology that can aid me in communicating my findings. The analysis made has pointed out some weaknesses in the new perspective on service. In this thesis, I will argue that, even though there are certain qualities in Service-Dominant Logic, it lacks some fundamental factors – first and foremost a language to cope with the vast complexity that is under scrutiny, but also that it might be to all-inclusive to be useful outside a philosophical discussion about the development of theories.

Objectives

The aim of this thesis is to analyze the relationship between the Swedish port and a set of regulations that frames and affects the nature of service interactions. As most service studies tend to emanate from the sphere of business administration, with a propensity to avoid placing services within a larger social and cultural context, the present analysis will focus on a new trend in service management studies, Service-Dominant Logic, that opens up a broader perspective on what service is and regards the regulations, as such, as a part of a service process. The primary question to be answered is thus whether research on services can be expanded beyond the traditional scope of service management by including regulations and legislative bodies in the actual service process. That is, how do structures emanating from outside the place of business affect the service

environment in question? This question will involve the issue of understanding service as social relationships, something that calls for a broader context than the traditional marketing perspective that mainly focuses on economic relationships. In compliance with the objective for this thesis I will shed light upon the social dimension in service relationships outside the commercial domain, exemplified by the relationship between service and regulations – for the benefit of the wider field of service studies and for international legislators.

The service processes that this thesis focuses on (here viewed as processes that permit a flow of knowledge and skills between different entities) are the processes materialized in, and transmitted, by the International Ship and Port Security (ISPS) Code and the relationship between the Code and the actors related to port administration and port operations.

A roadmap for this thesis

Part I is intended to provide the framework for this thesis, primarily related to the craftsmanship of producing an academic text. In the next chapter (Chapter 2) I will therefore position this thesis within the field of service studies, beyond the more traditional service management field, thus indicating where I intend to make a theoretical contribution. I will make a brief historical odyssey and then present, in detail, one of the new theoretical schools within service management, the Service-Dominant Logic. S-D Logic paves the way for a discussion about service extending beyond the old service marketing field. However, the analysis has been influenced by other theoretical fields, which are consequently presented in Chapter 3. These are mainly connected with the notion of risk in one way or another. While Chapter 3 is intended to explain where I entered the field, Chapter 4 deals more explicitly with the concept of "borders" as a way of making things visible. Chapter 5 provides a discussion about methodology, both from a philosophical perspective, presenting the concept of micro sociology, but also from a more practical perspective discussing observations, interviews and other sources of knowledge.

Having presented Part I, I will lead you through the coming parts and chapters guided by three theoretical concepts (bearing in mind that our

isotope, the concept of borders, as well as Actor-Network Theory, will be supporting the analysis throughout the thesis).

Part II – a historical account of the ISPS code

For an understanding of the emergence of an international regulatory code, the second part will provide the reader with a historical account of the ISPS Code. Focusing on the history of the present, rather than the past, the main purpose of this section is to get acquainted with the field in which we will be moving, and also to unravel the underlying rationale of the regulations, to understand the powers that shaped them and what they were meant to accomplish (Beronius 1991). It will also lay some foundations for aspects of time and space as components in a service relationship. In S-D Logic terminology, I will here show the formation of the service proposition, in order to clarify the operant resources and the knowledge and skills embedded in the Code.

Part III – the port and the port security institution

The next part will cover the framework into which the regulations fit: the power of institutionalization, and will be guided by institutional organizational analysis. Here we will start with an understanding of the regulations, their history and the powers of their creation and continue the journey towards implementation. The focus will then be on understanding the regulations as a force for change: changes in of behavior, changes in perspectives and changes in values. The notion of "institutionalization" describes how external structures and practices get traction in organizations, and how those institutionalized structures and practices propagate among organizations within and across industries and organizational fields (Powell and DiMaggio 1991). The implications for S-D Logic when introducing structures to otherwise purely processual and relational exchanges will be the focus in this context, testing the applicability of the new logic.

Part IV – The Network of Actors

The entity onto which the institutionalization power is exerted is the next focal point and will be analyzed through Actor-Network Theory. Here we will look at the processes that institutionalization forces are triggering, what opposing forces are mobilized, and how this is perceived in the "ground zero" of the forces for change – the Swedish sea port. This is also where the renegotiated borders will become visible and discussed, supported by theories of borders and bordering processes. Here, I devote considerable effort to determining the implications of the external pressure on the relationships between different actors involved in service transactions. The main question here will be whether the S-D Logic principles of value creation, and the operant resources as a competitive advantage, are applicable.

Part V – S-D Logic and regulations, a discussion

The last part of the thesis brings us back to a theoretical discussion of whether S-D Logic is suited for application to social exchanges, based on the results of the discussion in this thesis, and if there are alternative perspectives that might cover the topic in a better way.

2

Security Regulations and Service

As mentioned above, this study originates in the position of the Swedish sea port. After the 9/11 disaster, international legislative bodies introduced a legal structure to enhance maritime security and thus entailing restrictions for the port, or a structure, for their provision of services. At the same time, the legislative bodies required a structured practice, a set of compulsory activities dictated in the regulations, on the part of the port, thus entering into a service relationship distinct from normal commercial or traditional economic services. What was created were social exchange with implications on the port and its normal, commercial exchanges. Such parallel exchanges established a relationship between the port, a legislative process and the actors establishing the ISPS Code, the national body selected to enforce the Code, and other actors with competencies or experiences to share. Service research, analyzing this twinning of social and commercial exchanges, involves a new challenge. This section will look into the service management field and explore the degree to which contemporary theories can be applied to the problem at hand. Having briefly presented the regulations that this thesis will focus on, I will in the following sections present an overview of the service perspec-

tive in general, but with a focus on the subsequent development of service management theories which may pave the way for an analysis of social exchanges with a service terminology.

The Service Perspective

What constitutes "a service"? Over the past few years we have witnessed growing debate about many of the traditional Service Management/ Service Marketing truths. One of the central focuses of this debate centers on the manner in which the old service concept was based on an attempt to separate services from goods. In 1966, for example, John M Rathmell at Cornell University tried to define the marketing characteristics of services (Rathmell 1966) by focusing attention on the *absence* of certain features in services that were present in the definition of goods. Working in this way, he identified four distinctive features that distinguished services from goods, features that would later have a great impact on service theories. These features were: intangibility, heterogeneity, inseparability, and perishability. *Intangibility* took its point of departure in the physical presence of goods. "… Economic concepts of demand and cost are difficult to apply to service because of its intangible nature (ibid)." Services were said to lack these characteristics and therefore differed from goods. *Heterogeneity* was based on the assumption that services could not be standardized, again compared with the standardized production of goods. "Because services cannot be mass-produced, standards cannot be precise." *Inseparability* implied that the provisioning and consumption of services took place in the simultaneous interaction between the provider and the consumer and could not therefore be separated from this interaction as, compared to goods. As Rathmell (1966, p. 34) concludes "Since services are acts and are produced as they are consumed, they cannot be inventoried, and there can be no merchant middleman since only direct sales are possible." This also leads us directly to the last characteristic, *Perishability* which refers to the presumption that services cannot be produced ahead in time and stored, closely related to the notions of intangibility and inseparability. Even though these service characteristics, later assembled in a systematic literature review on serv-

ices by Zeithaml, Parasuraman, and Berry 1985 and jointly called IHIP (Zeithaml, Parasuraman et al. 1985), have been the basis on which the service marketing field and other service research, has been built, there have always been doubts about aspects of its feasibility. The intangibility criterion was questioned by Shostack already in 1977, when she argued that a market entity can be partly tangible and partly intangible *"…without diminishing the importance of either characteristic" (Shostack 1977, p 74)*. Nevertheless, this line of argumentation has been the predominantly theoretical approach in service marketing (Vargo and Lusch 2004), but that is beginning to change.

Since the 1990s and increasingly in the first few years of the 21st century, the criticism has become increasingly strident, and new perspectives on service have gained ground. Edvardsson, Gustafsson and Roos, for example, argue for service as a perspective on value creation rather than a category of market offerings; that the focus is on value as seen through the eye of the consumer; and that co-creation of value is the key (Edvardsson, Gustafsson et al. 2005). This perspective emphasizes the relational nature of service and the outcomes, rather than the inherent characteristics. Lovelock and Gummesson (2004), and also Sabine Moeller (2010) argue for different and alternative perspectives, one where a modified version of IHIP could be retained as they argue that each of the characteristics, separately or in combination, continues to have some potential for service research and practice even though it cannot remain a central tenet of service marketing as the importance of interaction has acquired such an important role in the service discourse. Another alternative presented is a perspective based on non-ownership, where a transfer of ownership is not possible (Lovelock and Gummesson 2004). This perspective has not gained so much support, as it is based on the same kind of philosophy as the IHIP intangibility criterion. But an important criticism and the source of a new perspective on service – and for this thesis the central feature – is the Service-Dominant Logic (Vargo and Lusch 2004; Lusch and Vargo 2006; Vargo and Lusch 2008). By reversing the entire discussion that established the previous criteria of service, a definition based on differences from goods, the new perspective let the notion of service be the basis for analysis. Service becomes the point of departure, the domi-

nant logic on which the rest of the world is described. This perspective also moves beyond the traditional service marketing arena, proposing an extension into the field of social transactions.

Before getting into the specifics of the S-D Logic discussion, I would like to draw attention to the individuals participating in this discussion. No matter if you look into the US school – moving from the old IHIP definitions into the Service Dominant Logic perspective, the French cluster highlighting service as a drama, or the Nordic School with a customer relational perspective – all competing to add to the progression of the service research – it has to be remembered that the discussion has always been about marketing. Definitions, processes and provisions all have their origin in the question of how a commercial service organization can convey a message to someone willing to pay for such a service; service marketing has been the platform from which these definitions of service have been elaborated. The scholars have tried to find a way to look at the service offering becoming more advanced in communications and sales as a result of knowledge about the specifics of service relationships, and interaction.

The service perspective in this thesis is based on the S-D Logic discussion with its interest in understanding services as social transactions, but will hopefully add a different view as to how services should be regarded in a perspective that is much wider than the supplier/consumer dyad by moving into previously undefined service processes, tensed service relationships based on structures and external forces rather than voluntary interaction. By moving away from purely economic or commercial relationships and focusing on social exchanges, I intend to apply the S-D Logic to new arenas while integrating its own understandings of the social aspects. But in order to do that we need to take a deeper look at the theory as such.

Service-Dominant Logic – or the sociology of service[4]

The Service-Dominant logic mind-set was first presented by Vargo and Lush in 2004 (Vargo and Lusch 2004). This publication initiated a continuous discussion and development of the thoughts of the authors and others (see for example Lovelock and Gummesson 2004; Matthing, Sandén et al. 2004; Prahalad and Ramaswamy 2004; Vargo and Lusch 2004; Sawhney, Verona et al. 2005; Lusch and Vargo 2006). In mid-2007 Vargo and Lush presented a status report on these discussions (Vargo and Lusch 2008). Most of this discussion dealt with the application of S-D Logic in marketing, twisting and turning definitions of service and other definitions presented by the S-D Logic – not without criticism. For example, voices has been raised that S-D Logic is a populist twist of existing knowledge, wrapped in glossy paper and given a catchy vocabulary, without proper empirical interrogations (Brown 2007; Brown and Patterson 2009). However, this thesis will approach S-D Logic from another perspective than the traditional marketing approach, focusing on the very nature of services and possible social adaptations of the theoretical mind-set. And the above report (Vargo and Lusch 2008), as the most elaborated and fundamental description of the mind-set, will be the starting point for the following discussion.

S-D Logic is not a theory, at least not in the eyes of its creators[5]. Vargo and Lusch consider it to be a pre-theoretical mind-set, "… a lens through which to look at social and economic exchange phenomena so they can potentially be seen more clearly (Vargo and Lusch 2008, p. 9)." Service marketing is said to be just one of many possible phenomena for examination through this lens, and the proposed mind-set thus also paves the way for analyzing social exchanges, that "it has the potential of shedding light on the role of exchange between and among service systems at different levels of analysis (e.g., individuals, organizations, social units, nations etc.")(ibid), a statement this thesis will explore by viewing the ISPS Code as service, the legislator as a social unit and the port as an organiza-

4 "Sociology of Service" is, as far as I know, entirely my own concept by which I refer to the way service establishes a platform on which the society rests – if applying the definition suggested by Vargo & Lush (2006).

5 I will however treat it as a theory in testing its feasibility.

tion. Having said that, it would be appropriate to consider the definition of *social* in relation to *economic* exchanges.

The notion of "social" in the light of the S-D Logic has not been explicitly defined. Responding to a direct question on the question of how the "social" aspect might be understood or defined, Stephen Vargo explained "social" as used in S-D Logic as a general term used in its societal sense.[6]

> I think we mean "social" in a general, societal sense. That is, we see economic exchange as a subset of social exchange, rather than a different type. The basic, service-for-service nature of exchange applies to both social and economic exchange and in both, institutions (what North calls "rules of the game") emerge that provide governance structures, in many cases, the same institutions -- e.g., the legal system. Unless there is good reason to identify social and economic exchange as different, rather than nested, it seems to me that it is more parsimonious to use essentially the same models for the related systems. (Vargo 2009)

This strengthens the argument that service extends beyond commercial relations, where value is ultimately equivalent to shareholder equity. Furthermore, we need to say a few words about exchanges. In S-D Logic the primary feature is the application of knowledge and skills for the benefit of another party in a process of 1) a proposal, 2) acceptance, and 3) realization. Exchange occurs mainly in the process of realization of the agreed proposal. What materializes here is a straightforward, linear process where step one leads to step two, which in turn leads to step three. This basic line of thought, based on the definitions above, would then further strengthen the argument that the same model could be used for social exchanges. However, using the model on a higher level, on an aggregate of which economic exchange is a subset, might require a language and a perspective that permits this, and the linear features of the process

6 This quote comes from an e-mail exchange that took place between me and Steven Vargo, where I explained that I was writing a doctoral thesis on the Service Dominant Logic and its applicability on social exchange, and therefore needed some additional information about how he and Lusch defined and used the term *social*.

need to be challenged as a simplification because an insufficient language option does not capture the complexity of the situation. It is therefore necessary to go into the details of S-D Logic to be able to determine its possibilities and limitations.

The ten foundational principles

S-D Logic is basically based on 10 foundational principles (Vargo and Lusch 2008). These 10 principles may be seen as one interconnected whole, and therefore in this section I will outline all 10 principles and elaborate upon the initial thoughts about their feasibility in regard to the ISPS Code, thereby establishing the basis for the coming analysis.

The first foundational principle (FP 1) states that "*Service is the fundamental basis of exchange*". Service is here defined as application of knowledge and skills[7] for the benefit of another party. This idea is based on the assumption that services are always exchanged for services and has its origin in the pre-industrial revolution trade when goods were traded for goods or labour (Lusch and Vargo 2006; Vargo and Lusch 2008). The specialized skills of a fisherman were exchanged, for example, with the specialized skills of a farmer, fish for wheat and wheat for fish. Along with the industrial revolution, with the possibilities of mass-producing goods and transporting/exporting specialized knowledge and skills, this fundamental exchange of services for services took another form. Goods became embedded with these operant resources, transmitting them to be used in value-creating processes by other operant resources (customers), distant in time and space. In compliance with the S-D Logic definition and the objective of this thesis I will regard the ISPS code as an operant resource or a "goods-like actant"[8] embedded with knowledge and skills.

7 also called *operant resources*, i.e. resources that produce effect as opposed to *operand resources*, resources being acted upon by operant resources and thus processed

8 The notion of "actant" is widely used in Actor-Network Theory and describes the actor-like features of an artifact. An example that has been used is the road bump that is intended to act upon a driver to slow down, thus carrying the intentions and will of another actor distant in time and space (Latour 1999).

The legislator, via the Code, then becomes a service provider and the port the service beneficiary in the first stage of a social service relationship.

The second principle (FP 2) elaborates on the problem of the distance within a service for service exchange and therefore claims that "*Indirect exchange masks the fundamental basis of exchange*". Organizational size and micro specialization bundled into a service chain masks the knowledge and skills embedded. This principle has two levels of perspective. First it rests upon a perspective based on a commercial relationship, the service provider as an organization, the service as such, and the customer as three different entities. What is masked is what lies behind the provider at "the moment of truth", i.e. when the provider and customer interact. Service becomes an assemblage where much of the process takes place without customer interaction, hence its masked properties. But this principle also has deeper sociological roots. Drawing upon pre-industrial revolution barter trade, where services were exchanged for services, S-D Logic regards all processes that have been added since then as masking its core, and all mediators (such as money and goods) as vehicles for service provision. The value of providing your service (knowledge and skills) to your employer materializes in the salary you get, money becomes embedded with the service you have provided and can be used as a mediator in a second service exchange when paying the workshop that repairs your car. The same goes for goods, entailing the knowledge and skills of the producer. Services are still exchanged for services but with the help of mediators, such as money or goods, that bridge different exchanges. In relation to the port, this principle will be further analyzed in coming chapters by extending the scope from process and relations to also embrace structure.

Foundational principle three (FP 3) brings goods into the picture when stating that "*Goods are a distribution mechanism for service provision*". Based on the first and second principle, goods are seen as vehicles for the provision of embodied knowledge or activities, and thus as vehicles for the transfer of services, or alternatively as the provision of satisfaction for higher-order needs. This principle is merely the consequence of the previous two statements.

The fourth principle (FP 4) links knowledge and skills to the market, "*Operant resources are the fundamental source of competitive advantage*".

The use of knowledge and skills (operant resources), and the ability to adopt, adapt and improve, is at the heart of competitive advantage. In what sense are the knowledge and skills embedded in the ISPS Code a basis for competitive advantage, and is competitive advantage at all applicable to social exchanges? If service (the application of knowledge and skills) is the fundamental basis of an exchange it would then be reasonable to assume that service is also the basis for the economic aspects, per se. The result of this line of thought materializes in foundational principle five (FP 5), "*All economies are service economies*". With increased specialization, as Lusch et al argue, it becomes more apparent that services are, and always have been, what is exchanged. This logic may, for example, be seen in the redefinition of out-sourced activities, from being a part of an in-house production process to become service that you purchase from an external supplier. The question here is rather whether all exchanges are service exchanges, no matter whether they involve economic or social exchange. Or even, are all societies service societies? If economic exchange is a subset of social exchanges, then economies are just a subset of "the social" factor.

The sixth principle (FP 6) argues that "*The customer is always a co-creator of value*". When a service is exchanged, the continuous process of value creation carries on to the next operant who then becomes a co-creator of value. Principle seven (FP 7) comes as a logical consequence of the latter, stating that "*The enterprise cannot deliver value, but only offer value propositions*". Nothing is embedded with value as such, the value is determined in the embedded knowledge that has a value potential through value co-creation. If the value proposition is contained within a compulsory structure, how will the value then be perceived? As regards social exchange, is there a clear value concept? Following the eighth principle (FP 8) we learn that "*A service-centered view is inherently customer oriented and relational*." Regardless of whether the service is provided interactively or indirectly by a tangible good, value is co-created and in the case of all tangible goods, the customer must interact with them over some period that extends beyond the transaction. Service provision and the co-creation of value imply that the exchange is relational. Regulations are, as I will argue, fundamentally structural. What happens when the relational

co-creation of value through exchange is framed within a structure, when the operant resource is a structure as such?

In principle nine (FP 9) the authors offer to widen the scope from market dualism to an all-embracing mind-set in saying that *"All social and economic actors are resource integrators"*. By integrating operant resources the actor, whether social or economic, can enrich itself/himself/herself. The resource integration role of the firm is, according to Vargo and Lusch´s argument, equally applicable to individuals, households or other economic entities. This principle implies that the context of co-creation is relational and takes place in networks of networks where the service system, defined as "…value co-creation configurations of people, technology, value propositions connecting internal and external service systems, and shared information…" (Maglio and Spohrer 2008, p. 18), of the supplier merges with the service system of the customer into a single co-creational network, where the network as such facilitates exchange. Thus, the notion of "social and economic actors" is interchangeable with "service systems" indicating the networked relationships. When the ISPS Code interfaces with the port, two different types of actors, or two different types of networks, meet – one social and one economic[9]. What kind of implications does this have?

The last principle (FP 10) states that "*Value is always uniquely and phenomenological determined by the beneficiary"*. This final principle summarizes the foundations laid by Vargo and Lusch, with an emphasis on the experiential nature of value determination that depends on the perceived value in the co-creation process. This principle brings us back to the question in principles six and seven regarding value, adding to the discussion about who the actual beneficiary is and the relation between exchange, time, and space. Is it relevant to speak of *one* beneficiary or *one* specific value in a complex web of relations?

Based on the review of S-D Logic, a set of questions arises. First of all, what is this "sociology of service" trying to say? The first three prin-

9 The social network/exchange in this case being the service relationship with the regulation as such, and the monitoring agency, the economic network/exchange being the service relationship with the commercial actors within the port as well as its customers.

ciples argue that service, as the application of knowledge and skills for the benefit of another party, cover the whole field of social and economic relations, where goods and money are merely mediating entities or vehicles for the provision of services. The next two principles bring in the market as the arena in which services are to be performed and stress the economic subset of the social aspects. As a consequence of the market and the economy, principles six to eight are dependent on the relationship between the customer, the enterprise, and the value this relationship creates. The last two principles, finally, bring the S-D Logic back to a more abstract level, leaving business aspects to once again become more generally applicable. The creation of easily accessible principles, Kotler's[10] 4P's, Gummesson's 30R[11] and now the S-D Logic's 10 FP, permits an outreach to practitioners with the risk of shallowness. However, by calling for a place among the more generally applicable theories with a bearing on service, S-D Logic has to prove itself up to the task.

From a more practical perspective, and in the light of the coming analysis of the ISPS Code, there are also a few questions to be raised. If the value proposition involves a compulsory structure, as is the case with the ISPS Code, how will this value be perceived? Regulations are, as I will argue, fundamentally structural. What happens when the relational co-creation of value through exchanges is framed within a structure, where the operant resource is a structure per se? When the ISPS code meets the port, there are two different types of actors[12], or two different types of networks (or two levels of analysis, one a subset of the other), that meet – one social and one economic. What kind of implications will this have? Framing and structure imply, furthermore, lines of separation and delimitations; inclusion vs. exclusion, do's vs. don'ts, inside vs. outside. How will these borders affect service relationships and how the service relationship is described?

10 A classic description of the marketing mix, based on Product, Place, Price and Promotion.

11 Evert Gummesson, in the book From 4P to 30R launched an idea of 30 relational aspects of marketing.

12 The agency of the Code on the one hand, and the port on the other.

This service relationship definition within S-D Logic is based on the view of service as a transfer of knowledge and skills. Conceptually, this definition leaves the domain of business administration and marketing, moving towards a description of relationships of all kinds and shapes constituting something that I would like to call "a sociology of service".[13]

> S-D logic suggests that markets and marketing are primary drivers or creators of society. Individuals without the exchange of service for service are anti-society. With exchange of service comes society and society does not exist without the exchange of the most fundamental resources for human existence (mental and physical competences). Sometimes social and sometimes economic, but most often intertwined, a society involves a complex web of social and economic exchanges of service(s). /…/ Furthermore, language, knowledge, norms, culture, and scientific paradigms are all part of a network of co-creation activities by individuals and organizations that create society. In a real sense, social exchange of service can be viewed as a macro-service provision institution. (Lusch and Vargo 2006, p. 408-409)

This is a big claim, one that basically says that it is services that constitute society. The quote above also places an emphasis on the complexity of social and economic exchanges and the networked properties. Others have also made a connection with the networked properties of service. In the debate about S-D Logic, Gummesson suggested a move towards network theory (Gummesson 2006) to embrace the complexity that the S-D Logic tries to cope with. However, the move suggested treats the network as something "out there", something that can be described. The focus is on the nodes in the network, *"… networks of customers and citizens (ibid).*" The S-D Logic claims to embrace these views but argues that "However, the network, just as the organization, goods, and money, is merely the transmission mechanisms for the exchange of service for service (Lusch and Vargo 2006, p. 418)." The problem here is that both Gummesson and S-D Logic regard a network as something tangible, where the nodes are in focus. "Its basics are easy; a network is made up

13 Even service research, or science as such, hence qualifies as service, see Löbler (2011).

of nodes (such as people or organizations) and relationships and interactions between those (Gummesson 2008, p 16). The network, that in recent publications on S-D Logic is also called "context", is defined as a set of unique actors linked to each other (Chandler and Vargo 2011). The authors compare the notion of context with the definition of the institution by the school of new institutionalism, but interestingly give "the context" agency, the ability to act or to make others act. "Simultaneously, a particular context may act as a resource for an individual actor but act as a deterrent for a different actor." (ibid) Whether context is looked upon as merely a constellation of one-to-one interactions or as an actor in its own right, is a key question. The complexity is acknowledged, but unfortunately, by describing what binds the actors together into a context as service-for-service exchanges, it seems as if the perspective is the former: the network becomes merely an organogram or a sociomatrice rather than a dynamic explanatory model. Edvardsson et al (2011) argue along similar lines, looking at the service system as an adaptive configuration or a social system, where social context plays an important role and where value co-creation and distribution can be asymmetric. An adaptive system with some kind of agency, constructed by and of actors and consisting of people, technology, other service systems and shared information – in many respects this resembles what has been called an Actor-Network. A network, seen from the latter perspective, is a concept, not a thing "out there", it's a tool to describe something, and not what is being described (Latour 2005). Rather than focusing on the nodes themselves, the focus is on how, why, and when they are attached to each other, and what forces are in operations. This is a perspective that has influenced this thesis, and it will be discussed in more depth in Chapter five.

With the contextual perspective of Chandler and Vargo, the analytical depth gets lost in translation as the social and cultural features of the relationships are largely neglected. The entire underlying philosophy originates from a service marketing perspective, firmly situated in a service context based on a *commercial* relationship. Such a relationship is based on a notion of voluntarism, a positive interaction based on a win-win philosophy where the leverage between what is provided meets the demands of the beneficiary, who is ready to embrace the proposition at

the negotiated price, the true vision of "market force" in action where the two parties interact in complete isolation. Value is in this kind of relationship is normally easily defined, based on money as a means of exchange. With a Service-Dominant view on regulations in service exchange, the picture becomes more complex. The exchange, fundamentally social in its nature, is forced upon one party and the economic consequences, as I will show in the case of the Swedish port, are perceived as negative by the receiver. The knowledge exchanged is inherently aimed at all subsequent relationships in a chain of service relationships – in the case of the ISPS Code with the purpose of the co-creation of security within the entire maritime flow of goods.

All businesses and actors in society have to conform to a wide array of regulations and restrictions, but discussions about service have tended to overlook these social and structural frameworks, preferring to view businesses as free entities capable of negotiating their relations with customers in an open manner. The question that has been overlooked is: what happens in the interaction between structures and actors in service contexts? Can we even understand service without better appreciating its social and structural parameters? In order to approach these questions, we have to expand our focus beyond the traditional delimitations, such as the bounded service organization or the customer/service encounter. It is time to introduce concepts such as structure and regulation. In the next section, I will therefore present different perspectives and theories from which the analytical inspiration has been retrieved, using "structure" as a common denominator.

3

Inspiration

In this thesis, I intend to develop a broader understanding of services, one that takes account of the fact that most services do not occur in a "free market" or social vacuum, but under conditions of regulation, the question here being how we can understand the prerequisites of regulation as part of the service context. Doing this means entering new territory which requires a number of theoretical tools and an approach open to influences from different disciplines. Some of these influences originate from my own interest, and work with risk management theories. This focuses on general theories of risk, and also sociological, cultural and constructive perspectives on risk[14]. As this thesis touches upon risk as a phenomenon that actors have to relate to, I will present an outline here and point out the general direction from which I enter the field. The sociological aspect will, however, be more evident when turning to the actors that will have to act within a defined risk or its consequences. These influences go back to the turn of the last century and are assembled in what is called Actor-Network Theory. Since ANT has a more predominant role to play, throughout this thesis, it will be more thoroughly described in Chapter five.

14 I will further elaborate on this in the coming sections.

As the basic theme in this thesis revolves around the notion of structure, defined as a framework of legal, social, cultural, technical, or other kinds of factors[15] that have a similar impact on social practice (Giddens 1984); either as a structure or being affected and having to relate to structures, the following discussion will use structures as a common denominator. However, pairing *structure* with Actor-Network Theory calls for some caution. I do not regard structure as something taken for granted or as something that is "out there" by default; rather as an assemblage of wills and ambitions.

Structure and control

Risk management theories have had a significant influence on my way of thinking about and framing this project. The very basis of this influence originates from understanding risk as partly being an effect of social and cultural processes. Ulrich Beck presented the notion of the Risk Society when it comes to expression in the face of the reflexive modernity, where the development of rules and regulations becomes a highly important means by which actors seek to combat, or at least begin to gain control over, risks. He argues that a reflexive approach can be seen as a possibility for a risk society, not only to reflexively acknowledge the consequences in the form of manmade risks it has proved to be able to produce, but also to confront society with these very consequences (Beck 1992). A risk society leads to a new morality of politics (Giddens 1999), a situation marked by a tug of war between accusations of scaremongering on the one hand and of cover-ups on the other (ibid). The risk of intentional unlawful acts, terrorism and organized crime, is no doubt a product of human interaction. It is hard to view the ISPS Code as a solution to the core of the problem of international terrorism or organized crime. It is, however, one of the ways which the international community has chosen to tackle such consequences. For the coming discussion, it is important

15 I here use the term "factor" where I might have used "constraint". But being inspired by the definition used by Giddens (1984) I look at structure not equated with constraint as it also have enabling features. Structure is both constraining and enabling.

to acknowledge the polarization of which this regulatory process is part, not only with regard to religion, east/west, north/south, rich/poor, us and them, but also with regard to the perceived threat. The nature of the perceived threat will prove to differ to a high degree between different cultural settings. When the risk of terrorism is felt to be immediate in the United States, it is perceived as something less important in Sweden.

Structure as a means of controlling risk is constantly around us (Giddens 1984) – on the way to work you are guided by road signs giving you directions as to how to behave as well as where to go, in the elevator to your fourth floor office you can see when the next service check is due, the regulated maximum capacity of the elevator etc… Rules, regulations, norms and institutions guide and control almost every step we take. Since it is such a dominant feature in our everyday life, it is also a well researched field. In risk management research there are a vast amount of studies on how to control risk in society by means of assessments, procedures, manuals, and various forms of technology, as well as studies on the impact of regulations (Kirwan, Hale et al. 2002; Nilsson 2003; Tzannatos 2003; Hale, Kirwan et al. 2007; Lofsted, Bouder et al. 2011). Too often, research tends to regard risk as a matter of fact, and regulations and control as the obvious solution to the problem at hand. As the risk researchers, Kirwan and Hale, put it, "…it is clear that the regulation of risk is now one of the central regulatory tasks (Kirwan, Hale et al. 2002)." In other words, risk is increasingly coming to be seen as a phenomenon which authorities can, and must deal with legislatively. Processes such as designing laws, as well as communicating, monitoring, enforcing, and evaluating risk potential, are all activities which can be engaged in to confront potential problems. On the other side of the same coin, you will find the practitioner handbooks and managerial tools to meet the legal requirements via models and step-by-step provisions. Here we also find the quality assurance research where "Balanced Scorecard" models, ISO

standards, and HACCP[16] are self-imposed structures for management and the control of internal processes. To a large extent, this is applied research which is, in some cases, carried out in cooperation with the industry and its skilled practitioners (see for example Hale, Kirwan et al. 2007)[17]. Even if this line of research might offer valuable insights into the organizational safety craftsmanship, it has less to contribute to a discussion in which the primary focus lies in social relationships and processes analyzed from a service perspective, based on instrumental features.

Examples of research on structures and control can also be found in the maritime security sphere. Tzannatos (Tzannatos 2003) argues for a Decision Support System for the promotion of security in shipping. He proposes that the complex threat of terrorism creates a need for a new approach for a shipping community that has been unable to answer this threat in an effective manner. The answer to this deficit is to introduce a structure – a system that enables the actors to make better decisions. Even though he argues that the threat is beyond control and that it is impossible to determine when, where and how an incident occurs, the first step in threat assessment in the decision support system is still to define *all* threats in terms of *type* and *intensity* refined by considerations of *motivation*, *resources* and *skills* of attackers, all factors that cannot be determined by practitioners in the maritime field. Based on the threat assessment, supplemented by vulnerability and consequence assessments Tzannatos builds a mathematical model generating a risk score and a risk matrix that is supposed to be used for decision support. Harrald, Stephens and van-

16 The **Balanced Scorecard** is a performance planning and measurement framework aimed at translating visions into operative goals, communicating visions and linking them to performance and thus strengthening business planning and the ability to learn and adjust strategies, the **International Organization for Standardization**, or **ISO**, is a non-governmental organization creating internationally accepted standards within different fields such as quality assurance and environmental standards, **Hazard Analysis and Critical Control Points (HACCP)** is a methodology used in the food and pharmaceutical industry to identify production related hazards in regard of physical objects, chemical and biological agents through preventive process control rather than product inspection.

17 Andrew Hale representing Delft University of Technology, Barry Kirawan The European Organization for the Safety of Air Navigation (Eurocontrol) and Urban Kjellén Hydro Oil and Energy.

Dorp (2004), crisis, disaster, and risk management researchers at George Washington University, argue along the same lines, basing a framework for sustainable port security on traditional risk management where "Risk = Probability x consequences". Here, the probability factor equals the likelihood of occurrence of a specific scenario, in line with Tzannatos' threat assessment.

While many actors in the field find the quantitative approaches discussed above to be reassuringly "scientific", they do entail problems of their own. Bearing in mind the extremely low rate of terrorism attacks on western infrastructure outside conflict areas (which would exclude the, in the maritime security field frequently referred, attacks on the USS COLE warship and the LIMBURG oil tanker, both attacked by bombers in Yemen) the probability of an attack, based on historical frequency, is extremely low for a single US port, even lower for a port in a NATO country outside the US, and negligible in non-NATO country ports in countries with at least some political stability. Against this background, the approaches that attempt to mathematically "predict" or assess risk have a tendency to produce results that overemphasize the significance of the risks measured. In short, the mathematical approach fails due to the low probability and the high level of uncertainty of the risk of attacks. But nonetheless, the consequences of an attack would have an enormous potential. Other approaches might therefore be needed to tackle the problem concerned, and "creating" a security culture is one of the proposals. The next section will therefore further examine the relationship between structure and culture, with an emphasis on safety culture theories.

Structure and culture

In some sense, culture and control, in relation to structure, seem to be intertwined. In the cultural/symbolic view of risk, initiated by Mary Douglas (Douglas and Wildavsky 1982; Douglas 1985(1966)), further stressed by Lupton, (1991), risk is regarded as a cultural and politicized construction. Certain dangers are chosen and illuminated for reasons that make sense for a particular culture, based on its shared values and

concerns (Douglas and Wildavsky 1982). Definition of risk becomes a sociocultural process and politicization a means of control. As structure and control are often synonymous with regulations and control mechanisms, as in the specific case of the ISPS Code and the ports, structure is taken for granted and culture becomes a tool to evaluate the performance of activities. In other words, culture, here defined as a common identity and shared beliefs (Höpfl 1994), becomes the route to alignment with the structural features of the regulations. In the maritime domain it is noteworthy that international regulations regarding both safety and security emphasize the role of the regulations as a facilitator of culture. However, in the case of an international code, there are specific problems regarding shared values and concerns, namely the very base on which the definition of risk rests. The difference in perception of the threat will ultimately have an effect on the effectiveness of the security of the ports concerned.

The culture theories, irrespective of whether we are referring to corporate, safety or security culture, are based on a concept of a common identity and shared beliefs (Douglas and Wildavsky 1982; Bierly and Spencer 1995; Ek, Olsson et al. 2000; Boholm, Hansson et al. 2002; Eldh 2004). The "culture" is created and sustained by managerial means to streamline the organization in the desired direction. The safety culture theories have been criticized for this – safety issues are reduced to artifacts or a cosmetic exercise, in the belief that there is a direct link between a single organization and a single culture (Höpfl 1994). Others have argued that it is impossible to separate safety culture processes from other cultural processes within an organization as they are all intertwined (Eldh 2004). Whether this also applies to security is not clear, and is something that needs to be further explored. However, in the case of the introduction of the ISPS Code in Swedish ports there is no single management in control. What is involved here is no single culture, nor a single organizational unit/system.

What we find in this case is a multi-layered, heterogenic and fragmented set of actors and systems, external actors such as customs, police, port inspectors and a wide array of companies inside the fenced premises – all with their own agendas, interests and tools (Harrald, Stephens et al. 2004). This kind of complexity, on which I will further elaborate in Part

III of this thesis, is not easily dealt with; adding organizational complexity to system complexity might lead to tight couplings and an environment prone to severe accidents, as Charles Perrow has argued (Perrow 1984). There are, however, organizations that seem to be able to cope with complexity even if this seems to be against all odds. Such organizations have come to be termed High Reliability Organizations (LaPorte and Consolini 1991). These types of organizations, whose characteristics I will explain in a moment, are described in a field of research that has come to be known as High Reliability Organizations theory (HRO).

High Reliability Organizations studies have focused on organizations in high-risk environments, but where the number of incidents is low, such as flight control, carrier ships, and nuclear plants (Weick 1987). By studying these organizations, at the very upper end of the safety culture scale, the researchers have found a set of criteria needed to create an organization that can handle risks effectively. Among these criteria, they pinpoint high public awareness, sufficient financial and human resources and a high mission valence (LaPorte and Consolini 1991; Rochlin 1999; Roberts, Bea et al. 2001). According to Frederickson (Frederickson and LaPorte 2002), airport security pre 9/11 failed in at least two areas – creating a high collective mission valence (high motivation, a clear understanding as well as acceptance of what has to be done as well as why) and providing adequate financial and human resources. As a result of the Aviation Security Act, which established the Transportation Security Administration, airport security has been federalized and has acquired more resources (ibid). This has lead to an increased opportunity to create high mission valence. Drastic steps had to be taken to move in the direction of establishing a High Reliability Organization, a lesson to bear in mind in the context of port security. In the port security field, the organizational fragmentation and heterogeneity is even greater to start with, and the further away from the US mainland you go, the lesser the mission valence seems to be. This indicates that there is a geographical aspect to structure that has to be explored to fully embrace the complexity of the issue covered in this thesis[18]. Lastly there is a new theoretical

18 This aspect will be slightly more elaborated upon in Part III, chapter 12, but still calls for further attention outside the scope of this thesis.

risk perspective slowly finding its form, viewing risk as relational and emerging via the relationship between a risk object and an object at risk. The risk object is what is threatening something valued: an object that is at risk. This perspective indicates that risk emerges first when something is considered to have a value, for someone at a specific time, based on the rationalities of thought and action (Boholm and Corvellec 2011).

These theories serve as examples of the different fields of research that have inspired me in writing this thesis, as well as providing examples of how risk, structure, and culture have been approached by other scholars. This thesis will be based on a perspective of viewing risk as a politicized social and cultural construction, in which control often takes the form of legal structures and enforcement mechanisms. Risk derives from relations between actors and what they value, how they solve problems – all in a historically, spatially and situationally situated context (Boholm, Corvellec et al. 2011). I will argue that this social and cultural construction of risk has a history of its own, and to understand it we also have to examine its past. Furthermore, within the relationship between risk and service there is a little discussion about time and space in relation to how service entities handle risk. This is to acknowledge that distances in time and in space can have an influence on how risk is perceived and acted upon. Once again, a historical perspective is called for, and the linear perspective on service offered by S-D Logic becomes troublesome as history proves to have a significant role to play in the formatting, and re-formatting, of the service provision, in this case the ISPS Code.

The notion of social constructions will be important, bearing in mind the secondary question that this thesis will try to answer: how regulations are locally formatted within service organizations. From my social constructivist perspective, culture is also a construction, often to meet structural standards or "best practice". With a view of risk and culture as social constructions, the ISPS Code will, as a result, prove to have a facilitating force and agency of its own. It is not just a text, it is a text with a past, a present, with ambitions and wills. Beyond risk theory and an appreciation of the significant role structure and culture interplay in understanding port security, this thesis therefore needs to build on some other social and cultural theoretical perspectives that need explanation.

To this category of previous research can be added studies of borders and bordering processes. Even though "the border" can be so much more than a control device, it is usually a tool to separate, to polarize, us from them, in from out, mine from yours. While analyzing the material gathered, and during the process of writing this thesis, it became evident that the concept of borders gave valuable insights into the processes studied. In the next chapter, (and further in Part III), I will elaborate on this concept.

4

Tracing borders

Having described the analytical inspiration, I will now present one component of the theoretical portfolio used in this thesis, the notion of borders as a contrast medium that makes structures visible.

Perspectives on Borders

The first theoretical concept to be presented concerns the notion of *borders*. Traditionally, research on borders follows three different paths: borders as geographical boundaries defining territories, the anthropological perspective of borders related to identity and symbols, and borders in organizational theory separating organizational units, responsibilities and mandates. After a brief description of each of the three traditional perspectives on borders, I will present a fourth, the concept of borders as a contrast medium that helps to visualize associations, or actor-networks.

The territorial border perspective is closely linked to the rise of the modern nation-state, permitting control of national territory (Donnan and Wilson 1999). As a part of a geopolitical scheme, the border permits the determination of sovereignty, defines national and international borders, and reinforces the nation state. These borders can be reproduced on maps, may be physically marked in the terrain, and can be monitored

and protected (ibid). In this sense the geopolitical border is "real", even if it is under discussion or debate. An offset of the national border and the national territory is the property, distinguishing the ownership of land, equally easy to define, mark and protect (Prescott 1978). Post 9/11 discussions on borders have highlighted the fact that there is an increasing mobility of borders and that control mechanisms are in action at different points in society, not just at the territorial limits (Rumford 2006, p. 158). Not only are borders mobile and fluid, but may also be extended outside such territorial limits. I have called this the distributed border, a territorial outpost beyond the national border represented on the map. This phenomenon is further described and discussed later in this thesis.

The anthropological perspective on the other hand has tended to focus on the social boundaries that create order in social and cultural relations, and hierarchies or boundaries that separate different worlds of meaning (Donnan and Wilson 1999). The difference in comparison with the geographical perspective does not need to be so distinctive: the political and geographical border might well be aligned with the social and cultural boundary of the anthropologist, but this depends entirely on what the anthropologist is focusing on as long as it involves a transition, a shift from one mode to the other. These modes can be states of mind, cultural belonging, but also national identity related to a geographical border. Fredrik Barth (1969) has been one of the most influential theorists focusing on the anthropology of borders. Barth´s works have been important for studies of ethnic groups, arguing that people may cross group boundaries, and furthermore maintain relations across them, without affecting the sustainability of the boundary as such. In Barth´s view, the ethnic group is a social construction, and the social boundaries are above all useful for organizing social relations. The social border exists as a consequence of the identity process within a social group and the relationship between those within and outside that specific group (Wallman 1978). Social boundaries are thus of a relational nature and are constructed by people in their interaction with others (Cohen 1985). These social boundaries do not have to be between large populations, separating ethnic groups, or demarcating other clearly defined entities. They can be symbolic in nature where boundaries are "… conceptual

distinctions made by social actors to categorize objects, people, practices, and even time and space (Lamont and Molnár 2002, p. 168)". As will be discussed later in this thesis, the separation might be between those with green name badges and those with white, where the badge itself is the symbol of identity and belonging, not by name but the color of the badge.

The organizational perspective differs somewhat from the others. Drawing upon Hernes (2003), organizational boundaries have three characteristics. *Physical boundaries*, either as material boundaries that are tangible and separate us from them in a physical fashion, walls separating one production line from the other, or regulatory boundaries that govern interactions and flows, responsibilities and authorities. Identity as a *social boundary* that distinguishes the group and separates it from other groups is one form and it resembles what has been discussed above as a prerequisite for a "culture" – a common identity and shared beliefs. Finally, *mental boundaries* materialize by a "... repertoire of terms and symbols that enable groups to communicate, to act, and to further their understanding" (ibid). The organizational boundary thus resembles the more loose concept of structure in its features, thus sharing the dual properties of structures – being both constraining and enabling. For example it permits the exercise of control, but at the same time enables action and a concentration of resources within a specific space.

Borders connect people and things, they separate, they are transformative, they are ghost-like in their intangibility in many cases due to their symbolic nature, or they can be as concrete as a brick wall through Berlin, but since they divide and connect at one and the same time they are symbolically powerful and from our perspective they are thus vital actants to observe, as the harbor we are in starts to become involved in new processes of border activities that did not exist before 2004.

The isotopic perspective is more of a methodological application than a theoretical perspective, per se. While writing this thesis, I realized that in order to be able to refer to something intangible I first had to determine its shape and then to visualize it by indicating some of its visual consequences. This line of thought is heavily inspired by Susan Leigh

Starr and her concept of *boundary objects* that link different communities of practice together.

> Boundary objects are objects which are both plastic enough to adapt to local needs and constraints of the several parties employing them, yet robust enough to maintain a common identity across sites. They are weakly structured in common use, and become strongly structured in individual-site use. They may be abstract or concrete. They have different meanings in different social worlds but their structure is common enough to more than one world to make them recognizable means of translation. The creation and management of boundary objects is the key to developing and maintaining coherence across intersecting social worlds. (Star and Griesemer 1989, p. 393)

The medical diagnostic tool to render cancer visible in specific types of scanners by injecting radioactive isotopes into the body to subsequently see where they are getting stuck has inspired me in the development of this line of thought. What I found was that the consequences of my object of inquiry, the ISPS Code, were easy to describe with a border terminology, however subtle the consequences were. By "injecting borders", as an isotope, into the analysis some of the more invincible consequences became identifiable and could be discussed. Some of these borders were very tangible indeed, as for example fences and doors, but others were harder to predetermine: a yellow line on the asphalt surface, a 40 foot container, or the effect of the color on an identity card. The richness of the analysis would have been less without this perspective.

The aim of this chapter has been to shed some light on how phenomena can be made more visible by applying a specific theoretical lens though which one looks upon the world, or by injecting the analyzed material with a contrast fluid that render things visible. In the next chapter, I will introduce two other concepts that this thesis rests on: the sociology of Tarde and Actor-Network Theory (ANT). As the related Tardean sociology and ANT play quite a specific role, (both as a methodological tool and as an analytical instrument) that is hard to allocate to a specific section, chapter, or part of this thesis, I will provide a more detailed dis-

cussion of these two kindred theoretical perspectives at this stage. I will furthermore introduce the methodologies this thesis rests upon.

5

Thoughts about methods, methodology, and the field

Chapters on methodology usually comprise some kind of method-theoretical labeling. Just stating what you have done (and why) is seldom enough and has to be joined by a discussion about the theoretical domicile. Initially I felt this to be a daunting task – scientific methodology is a field that embues considerable respect, but at second glance it became quite obvious how and where to position the methodological choices made in the course of the process. Basically, it was formed already from the start with the theoretical preconceptions with which I entered the project. Initially, I was already interested not only in risk theory, as described earlier, but also in Actor-Network Theory and the use of ANT as a methodological tool. By default, I am thus close to ethno methodology and social constructivism, where the term "social" is not intended to point to some overarching whole, rather that the process of construction as such is social by being an interaction between several entities – of which some are human and some are not (Alvesson and Sköldberg 2008).

Both ANT and social constructivism have their skeptical critics. Research becomes constructions and the results thus patterns "invented" or construed by the researcher himself (Amsterdamska 1990; Elam 1999;

Whittle and Spicer 2008). Texts about phenomena are reduced to mere descriptions of the same. In other words objectivity becomes impossible as, in its extreme form, even the process of research becomes a social construction (ibid). Nevertheless, and hopefully without too much of an extreme approach, I have had an ambition to stay close to the field and the actors and actants encountered along the way – of which some have been human and some not. As a consequence, many of the theories that this thesis rests upon, especially ANT and Tardean sociology, are also methodological ones.

Tardean Sociology

In order to be able to make the underlying processes of transformation and change visible, I have searched for and found inspiration from the early sociologist Gabriel Tarde (1843-1904). Even though Tarde might be best known as the failed opponent to Emile Durkheim in defining the sociological field, his work is now attracting renewed attention and appreciation. As early as 1968, Gilles Deleuze praised his work (Deleuze 1994) and, alongside the growing importance of Deleuzian theoretical development, Tarde has been brought into the searchlight of a new generation researchers (Duncan 2002; Czarniawska 2004; Borch 2005; Czarniawska 2005; Latour 2005).

The inspiration from Tarde revolves around the notion of *imitation* (Tarde 1899; Tarde 1903). Tarde defines imitation as the action at a distance on one mind upon another, meaning that the social comprises individual actions, or what Deleuze calls "microsociology". This microsociology takes place, not exclusively between individuals but also within a single individual. In Tardean sociology, society is created in the association between individual minds through a set of three fundamental processes: imitation (or repetition), opposition and adaptation. These processes have their origin in an invention, in which "a genius mind" has created new ideas or procedures that are sent out in the world to find disciples. These inventions are the source of social action, but are equally based on influences from past experiences "It arises from the intersection of an individual genius, an intermittent and characteristic racial product,

the ripe fruit of a series of happy marriages, with the currents and radiations of imitation which one day happened to cross each other in a more or less exceptional brain." (Tarde 1903) There is no start, no end, just assemblages that form inventions that are subsequently spread through imitation, and by that become a part of "the social".

> When a young farmer, facing the sun set, does not know if he should believe his school master asserting that the fall of the day is due to the movement of the earth and not of the sun, or if he should accept as witness his senses that tell him the opposite, in this case, there is one imitative ray, which, through his school master, ties him to Galileo. No matter what, it is enough for his hesitation, his internal strife, to find its origin in the social. (Tarde 1899, p. 87-88)

These imitative rays, beaming out from the original inventor's mind, live a dangerous life. They will have to prove their right in the opposition and hesitation of every individual mind along the route, minds with their own history, their own ideas and constructions of the social. There will also be either competing inventions struggling for acceptance and urging to be repeated (incompatible and substitutable) until the other elements have been eliminated; complementary inventions that can live side by side, with none strong enough to eliminate the other; or inventions that are found to complement and reinforce one another.

> It is through imitative repetition that invention, the fundamental social adaptation, spreads and is strengthened, and tends, through the encounter of one of its own imitative rays with an imitative ray emanating from some other invention, old or new, either to arouse new struggles, or to yield new and more complex inventions, which soon radiate out imitatively in turn, and so on indefinitely…. (Barnes 1919, p. 253)

For Tarde, every social truth has had its origin in an individual brain and the explanation of the social should be found in the accumulation of elementary actions, the large by the small, the big by the detail. As inventions are united into more complex systems, according to the same

basic principle of the struggles of a single invention, social institutions are constructed around the group of inventions. Then the different groups of inventions organize themselves through processes of negotiation and coordination into a larger unit. As this process continues the powers of society are being formed with common ideals, and nations and federations established. These units are by no means carved in stone; they are still challenged by opposition or alternative inventions by individual minds. Even a nation state can fall by a single idea or the vision of a shipyard worker, even the largest empire can be overthrown by a new invention gaining strength through repetitive forces. The large being explained by the small, the big by the detail. Even though Tarde offers the analytical foundation that this thesis will be inspired by, a more methodological approach in back-tracking imitative processes has to be added to be able to understand the composition of practices of today and to deconstruct the embedded powers of the past. Actor-Network Theory offers an interesting means of proceeding in this context.

Actor-Network Theory

Actor-Network Theory (ANT) can be seen either as a micro sociological theory or a methodological approach where the focus lies on how processes, subjects and objects, become interlinked in complex relational networks. Non-human actors, or in ANT terminology "actants", act in the same way as human actors on their environment, initiating processes, and they are part of the network. The actants acquire an identity and become actors by repeatedly performing the same actions with similar results. To some this is a provocative move, and this is where ANT has received most criticism from some academics, giving artifacts agency, human status, or at least what can be viewed as human features (see for example Amsterdamska 1990; Elam 1999; Whittle and Spicer 2008). ANT has also been accused of equipping artifacts with intentionality, something that has been denied (Latour 2005). The view on artifacts, or actants, in this thesis is based on a perspective of what I call distributed agency. An artifact is built, created, or assembled with a purpose which it carries through its life. However, when moved outside the sphere

of control of its creator, or original environment, it also acts independently from its origin. The internal processes within a network, which Callon calls "translations" (Callon 1986a; Callon 1986b; Callon 1991), are processes of negotiation, representation and change that establish the relationship between actors and actants. These processes create new links between agents, translators and translatees which did not previously exist (Holmström and Robey 2005). Viewed from a border perspective, translation is an aspect of the symbolic power of borders, and a source of their agency. The notion of translation thus embraces both what already exists and what is created in the process, and therefore adds another dimension to the traditionally linguistic term.

> In addition to its linguistic meaning (relating versions in one language to versions in another one) it has also a geometric meaning (moving from one place to another). Translating interests means at once offering new interpretations of these interests and channelling people in different directions. (Latour 1987, p. 117)

Translations have two dimensions, the dimension focused on the actual "doing" is divided into four sub-processes; problematization, interessement, enrolment, and mobilization (Callon 1986a). Problematization refers to the process of an actor putting an issue on the agenda and at the same time positioning himself/herself and others with regard to the problem at hand. The task of imposing and stabilizing the identities of the other actors is called intressement. These other actors may have diverging interests that do not agree with those of the primary actor, and thus pose a possible threat to the desired outcome of the process. However, if these two sub-processes are successful, the next process starts. Enrolment entails the struggle to convince the other actors to play the roles ascribed to them. When, or if, the defined actors are enrolled, the network is ready to mobilize, to recontextualize into a new network; an actor-network. [19]

19 The similarities with the Tardean sociology are striking. Even if Tarde was not known to Latour and the other "creators" of ANT when ANT was developed, Latour sees in Tarde the ancestral father of ANT. He confesses that an earlier discovery of the sociology of Tarde would have saved the development of both analytical pain of

The other dimension is related to power; "… negotiations, intrigues, calculations, acts of persuasion and violence, thanks to which an actor or force takes, or causes to be conferred on itself, authority to speak or act on behalf of another actor or force (Callon and Latour 1981, p. 279)". Inclusion is not always a given factor. To be able to connect to an Actor-Network there is at some stage an Obligatory Point of Passage to traverse if one wants to be a part of the network. The result of these processes might thus become an Actor-Network, a loosely coupled body of momentum. The actor-network is successfully glued together by the associations between individual actors' identities, so successfully that the network itself is perceived as being an actor.

ANT offers a toolkit that can be used to unravel the barely visible (if visible at all) ties between actors, actants and entities, a methodology to find the translations, mediators and circulating entities (Latour 1999; Latour 2005). Let us take a brief look at the practical application of the Actor-Network Theory by taking it down to a less abstract level. ANT is a guide as to how to disclose and make visible all the tiny little strings, or attachments, that are attached to an actor that make him act. These tiny strings can originate from some other time, or some other place and may be generated by some other agency (Latour 2005). Take, for example, a Securitas night watchman who is patroling the perimeter fence of the Port of Gothenburg. What makes him do this? He has been told so by his manager, who has negotiated the task with the Port Authority, who has to make sure that no intruders get into the premises because of a regulation stipulated by the International Maritime Organization due to the attack on the twin towers back in 2001. The actual text of the regulation comes from another IMO document, as we will see, written after the hijacking of the passenger ship Achille Lauro in the Mediterranean in 1985. The night watchman's tasks can be traced through an array of connections and is, in this ANT story, clearly connected to the agency of the Palestinian Liberation Front from the 1980´s. Every node on the way, every actor that our tiny strings pass through is a network of his own; there is no given end, no given start – just endless connections. I

labour when many answers were already at hand in the writings of Tarde, but also the embarrassment of declaring to have delivered a brand new theory (Latour 2005).

would not be surprised if we could continue to follow connections even further, to a rock-throwing Palestinian teenager being arrested as an enemy of the Israeli state, to an Islamic mullah – on and on and on… The researcher himself decides where his story starts and where he lets others to continue.

> It is perfectly true to say that any given interaction seems to overflow with elements which are already in the situation coming from some other time, some other place, and generated by some other agency. (…) Stretch any given inter-action and, sure enough, it becomes an actor-network. (Latour 2005, p. 202)

As a consequence, an analysis based on ANT relies on narrative as a methodological device for understanding the processes being examined and described. This is another area where ANT has been questioned (Amsterdamska 1990). By relying entirely on descriptions, it tends to be just a story, and also the story of the storyteller in charge. This is something a reader of an ANT story must be aware of, and something that the ANT storyteller has to take into consideration. However, by adopting ANT we can get a deeper understanding of the processes leading to the inter-action where we started our study. This can be done "both downstream and upstream", depending on where we are heading, with the associations as the object of study. In other words, it is not the nodes of a network where the action is to be found, it is in the tiny strings of attachments constituting the network where it all happens (Latour 2005). The nodes might give us the answer to the "what" question, the attachments and negotiations answers the "why" and "how" question. In the case of the ISPS Code we might have a clear picture of its inherent ambitions, but that does not mean that we know if or why the Code is being applied.

It is interesting to note some similarities between the "sociology of service", as presented in S-D Logic, and the ANT sociology of associations. Where S-D Logic speaks about offering a specific set of knowledge and skills, ANT says problematization; where S-D Logic seek acceptance of the above offering or an agreement to engage in co-creation of value, ANT looks for intressement and enrolment. For S-D Logic, the result is

realization of the proposal, co-production, or co-creation, while for ANT there is alignment, that is to say that the entire actor-network acknowledges the same agenda. Both concepts appreciate the idea of mediators, artifacts acting upon one's mind distant in both time and space. Both are arguing in network terms, even if there are vast differences in how a network is defined. However, S-D Logic follows a linear flow of interaction where ANT appreciates that connections can have their origins distant in time and space. This realization is a part of the later S-D Logic. They are clearly aware of the fact that processes have beginnings further back in history, their thoughts are however built upon a linear chronology, as I have explained earlier, which oversimplifies a complex process. How well will these two theories work in analyzing the relationship between a port and a regulatory code?

In order to answer these questions, I had to gather material to observe and understand both the ISPS code and the actor-network of which it is part. In the next section I will outline the methodology and the empirical data used to achieve this. As it turns out, the empirical material this thesis is based on is derived from a number of vastly different sources and the way the material examined has been gathered can be described in a more orderly and mundane way. The rest of this chapter is the story of the material gathered along the way.

Observations

Doing a study on security proved to be more sensitive than expected, even though the focus hardly involved creating a risk of uncovering secrets in security systems, technology or procedures. For example, after having received positive advance notice from top management in one of the major container ports in Sweden in which I planned to conduct a period of observations, the offer was suddenly withdrawn after pressure was exerted at middle management level[20]. In retrospect, this might be a reasonable reaction from organizations that had experienced an intensive period of doing all the required work with assessments and plans and had

20 I was informed of this on the day in which I entered the port to begin my observational study, after several months of discussions and meetings with the port authorities.

finally received formal acknowledgment from the authorities. The misconception of once again being the target of evaluation, at risk of being questioned and criticized may have become a burden too heavy to bear.

As making observations would be a well-needed way to get to know the field studied, the people in the port, their daily activities and to observe implementation with regard to security and the ISPS Code, I had to find an alternative. I therefore approached another port, smaller in size but with what may be regarded as a full portfolio of services ranging from containers, oil, wood products and bulk, to steel scrap. This also turned out to be a progressive port, building a new, semi-automatic container terminal as well as initiating a major contract for oil products. Without prior knowledge of either of us, at the first meeting with the Port Facility Security Officer[21] (PFSO) we found out that we were second cousins, even though he was some eighteen years older than me and approaching retirement. We had never met before. The decision to grant me access to the port was given by the Chief Executive Officer of the port, and my kinship to the PFSO had nothing to do with gaining access.

What it did mean however was a full, unconditional welcome to the family in more than one sense, both to the port community as such, but also as the lost son of the PFSO. It can be argued that this poses as a threat to the reliability of the study due to a loyalty bias with one of the objects studied. This has been thoroughly discussed in the course of the study. The risk of bias has been duly handled by openly stating this relationship and, for ethical reasons, treating the ports studied and the people interviewed anonymously. This also enables me to protect the people contributing to this study from unintended consequences, and also the objectivity of the results.

The actual observations took place during two weeklong periods, with one follow-up meeting. During these two weeks, I shadowed the PFSO, following his every step, from meetings to practical control procedures. Shadowing is a technique designed not to discover new interactions and processes but to see existing ones from a different perspective (McDonald 2005; Czarniawska 2007). There are said to be three different strands of

21 Through the ISPS code all ports are obliged to have a designated person responsible for security issues, the Port Facility Security Officer (PFSO).

shadowing as a qualitative technique. The first is intended to give the researcher first-hand experience of a role, with a second strand aimed at recording a detailed log of actions, and a third to get an individual view of organizational roles (McDonald 2005), the two latter sharing a passion for detail. For me, the technique became not only a mix of all three of the above strands, but also a possibility to look at the consequences of the ISPS code. What I did was to closely follow a member of the organization studied. Being an outsider, I was looking at the daily activities from an outsider perspective and I discussed my thoughts with my objects for observation, thus gaining access to both perspectives: the insider's and the outsider's. I was also granted access to ships in port, at the discretion of their Masters, to discuss the ship's view on port security.

Shadowing as a methodological technique shares several features with observations. The reasons for working with observations has mainly been due to the fact that this category of empirical material offers possibilities of gaining knowledge about local conditions and how these impact upon daily activities in different working environments. As a result of observations, the impact that the regulations have for organizations – the regulations as an actant – can be studied and cultural patterns that are otherwise invisible can be identified. Another reason is to establish a sense of trust that is valuable when conducting qualitative interviews, both in the sense of being a part of a local community but also to learn the language used and the codes of behavior (Bernard 1988).

In contrast with the view of the port from a port perspective I have also made observations from sea, sailing with three Swedish- flagged merchant ships, with three different types of cargo on three different routes within Europe. In total, these journeys have spanned sixteen days at sea and have included passing through six different ports, one Swedish, one Danish, one Greek, one German and two Dutch. The contribution made by these excursions highlights the contrast between Swedish ports and foreign ones, and also the seafarer perspective on port security.

Interviews

Interviews are possibly the most common method used in qualitative research (Bryman 2001). Interviews are popular due to their flexibility and, compared to ethnography (including observations and shadowing), a convenient way to gather material without having to spend too much time in the field. The interview can take several different forms, depending on level of standardization (structured, semi-structured, or non-structured), the number of respondents (single respondent, focus groups or group interviews), or the mode of communication (direct, phone, or IT supported) (Kvale 1997; Bryman 2001). In this study, the interviews have either been semi- structured or non-structured, with further segmentation based on type of informant rather than type of interview. In the course of this project I have conducted 12 interviews with different people directly involved in port security issues. These have consisted of six interviews with Port Facility Security Officers from ports of various kinds and sizes, two interviews with representatives of the Swedish Maritime Administration, three with representatives of the Swedish Customs, and one with the head of the ISPS Code development process at the International Maritime Organization. Furthermore, I have conducted 17 interviews with seamen sailing on Swedish-flagged merchant ships, including all categories of ranks. These interviews have added to my understanding of the port as a service provider, but proved to contribute marginally to the analysis in this text. In addition, I have discussed port security issues with representatives of the Swedish Coast Guard, the Border Police, ship Masters, a shipyard and other stakeholders. These non-structured interviews, or conversations, have provided valuable insights into the complexity of port security.

The interviews were mainly conducted during late 2004 and early 2005 but a couple were carried out during 2007 while doing the main part of the work on the historical account of the ISPS Code. The timing of the interviews encompassed the actual implementation period, at a time when the pre- implementation preparations and the struggle to become ISPS approved ports were still in fresh memory. Problems were still around, feelings still hot, and disagreements with the authorities still

on the agenda. Norms and best practices were slowly being established, nothing taken for granted. The interviews present a moment in time, a frozen picture of a process that like the victims of Pompeii bear witness to a time of unrest. The timing, in retrospect, was fortunate. By capturing the events before everything was settled, before being taken for granted and institutionalized, the process became so much more visible. There was no black box[22] to be opened in relation to the ports and their operations. However, other aspects of the research required another approach, searching for historical footprints in archived documents. This relates primarily, but not exclusively, to the historical account of the ISPS Code.

Archives, documents and open sources

The use of the Internet as a source of *information* can be discussed. However, in relation to the question of accessing *documentation*, more specifically governmental and organizational public documents, it has proved its value in this project. Surprisingly, much of the legislative process can be found published on the web, from working documents to the actual text of the legislation. The prime reason for turning to the archives was to get an understanding of the ISPS Code and its heritage. Much of the history of the different steps in the development process, especially with regard to the Achille Lauro affair, has been lost over the years. What there is, I have found in reports and protocols and by following references back in time, from one referenced document to the next, I could personally form a picture of the continuum from past to present. A visit to the IMO library at the headquarters in London, and subsequent contacts has also been fruitful in this quest for a path back in time. A parallel track has been mirroring the formal IMO documents with the more informal internal reports of Swedish delegates at the various meetings during the actual ISPS development process, supplied to me by the Swedish Maritime Administration. Among these can be found the report from the

22 "A black-box contains that which no longer needs to be reconsidered, those things whose contents have become a matter of indifference. The more elements one can place in a black box – modes of thougts, habits, forces and objects – the broader the construction one can raise (Callon and Latour 1981:285)"

22nd Assembly meeting on November 19-30, 2001 and, during the following year, the first working group meeting on February 11-15, the 75th Maritime Safety Committee meeting on May 15-24, another working group meeting on September 9-13, the 76th Maritime Safety Committee meeting on December 2-6, followed by the diplomatic conference on December 9-13 where the ISPS Code was finally adopted. These rather personal reflections cover some 70 pages and over 100 references to official IMO documents and annexes. The methodology used in this quest, a historical account inspired by the genealogical tradition[23], is not commonly applied in Service studies.

Other official documents that have been available via the Internet have been statements and reports published by the United States Government Accountability Office. The U.S. Government Accountability Office (GAO) is an independent agency that works for the US Congress. GAO investigates and audits agency operations to determine whether federal funds are being spent efficiently and effectively, investigates allegations of illegal and improper activities, reports on how well government programs and policies meet their objectives, performs policy analyses and outlining options for congressional consideration, and issues legal decisions and opinions. Homeland security in general and port security more specifically has been on the GAO agenda in a number of testimonies, statements and reports. This material has contributed insights into the US discussion and has outlined a contrasting grand narrative when turning to the Swedish port security arena.

A third group of materials that has been used in a similar fashion as that above is articles written by practitioners. These materials do not pretend to be scientific – they mainly appear in trade journals and chiefly deal with practical security issues. Nevertheless, the rhetoric used and the topics highlighted contribute to an understanding of the concerns of practitioners at the specific location where they practice their profession.

23 The genealogical tradition will be further explained in chapter 7.

A brief reflection on the approach

The mix between observations, interviews and documents of different kinds has resulted in a wide variety of information from different perspectives. As it turns out, all the different layers of the creation of a service process have been covered in one way or another. The Palestinian Liberation Front contributes in the form of the opposition and reaction of the global community to the hijacking of the Achille Lauro; the ISPS Code development process is represented by various documents and in interviews with key people participating in the process. Ports, port inspectors, Regulation and police officers and other actors are all part of the materials gathered. With this in mind, it may be argued that a level of saturation has been reached with regard to the field material, thus meeting the requirement for a scientifically reliable and valid analysis.

PART II

The Assemblage of the ISPS Code

6

The “how, what” and “why”

In what is described as an increasingly insecure world, characterized by wars on terrorism, attacks on facilities and people of democratic nations, and religious tensions, the international community tries to act and interact to reduce risks and increase control. It is, however, not easy to find solutions that are acceptable to everyone, which means that these solutions are either unspecific and general enough to suit the majority, or are forced through the system by an actor strong enough to have an influence on the entire process. In this chapter, in which the ISPS Code is the main focus, I intend to show examples of both these forces and how the results, each weak in themselves, strengthen each other and form a security system. The actors entering the scene takes the form of documents and written fragments of formal and informal discussions and, based on them, I intend to demonstrate the regulatory process, how the negotiation of power is exercised and how national interests are imposed upon the international community as a result of international regulations. These regulations will later be shown to have an impact on how services are formed and how service relationships are built up. The analysis will incorporate the relevant foundational principles of Service-Dominant Logic, applying the new mind-set to a service exchange in which the regulations are

part of the relationship. However, I will start by introducing the perspective which I intend to apply when looking at this process.

Looking at the present through the rear-view mirror

The genealogical critical tradition, starting with Nietzsche (see for example Nietzsche 1956) and further developed by Foucault (Foucault 1977; Foucault 1980), is a tool to demonstrate and criticize the simple extraction of present values. The genealogical study is not intended to present alternative truths or to analyze *the history of the past* but to put forward an interpretation of *the history of the present.* As Paul Bouvé, cited in Beronius, describes it:

> Genealogy sketches another figure in the 'past' but aims at the present. The aim is always to discredit and offset the operations of power in our time. (Beronius 1991, p. 52)

As the above quote indicates, the genealogical aim is often to show the power connections, how something is formed and maintained. In Foucault's genealogy, the genealogist seeks out discontinuities where others find continuous development:

> According to Foucault, the task of the genealogist is to destroy the primacy of origins, of unchanging truths. He seeks to destroy the doctrines of development and progress. Having destroyed ideal significations and original truths, he looks to the play of wills. Subjection, domination and combat are found everywhere he looks. Whenever he hears talk of meaning and value, of virtue and goodness, he looks for strategies of domination. (Dreyfus and Rabinow 1983, p.108-109)

Where there is domination there is also the power to dominate, hence power becomes an important element in Foucault's works. Regarding power, he claims that power is not a given fact at a given time or place. In reality, he argues, power is a more-or-less coordinated cluster of relations and, if it is to be analyzed, we need to look into the micro practices that

formed it (Foucault 1980) – to enter into micro sociology. It has been argued that controlling the definition of risk is an exercise in power (Slovic 1999). If power is a process rather than a given fact, then controlling the definition of risk is a process in which an endless network of relations is constantly being reconstituted. With the definition of risk comes control of the rational solution for the problem at hand (ibid). Consequently, to understand the ISPS Code it is of great importance to not only to look at the actual process of development, but also to examine how the risk it is intended to diminish or abolish has been formed and defined.

When starting to analyze the ISPS Code and its process of development, I realized that it brought with it strong influences from the past. Understanding not only its history but also these historical influences will later prove to be important when we turn to the environment in which it will exercise its powers. This understanding will add depth to the actions and reactions of the various stakeholders for which the Code will be a factor in the creation of a service relationship.

Setting the scene – Part II

The ISPS Code plays a central part in this thesis, and an understanding of its history and how it has been formed will subsequently prove to be a key factor when examining one of the environment in which it is to exercise its powers – Swedish ports. This understanding will add depth to the actions and reactions of the various actors for whom the code will be a factor in the creation of a service relationship. In the S-D Logic mind-set, the foundational principle number two (FP2) states that indirect exchange masks the fundamental basis of exchange; that the core of service exchange is to be found behind the various mediators. The purpose of Part II is thus to unmask the ISPS Code's development process in order to make the underlying rationale visible. Inspired by the genealogical tradition, Part II will thus help ascertain the aims, wills and powers that are concealed within the propositions presented in the Code, i.e. the actual stuff it is made of. As I will argue, the emergence of the Maritime Security domain, is driven by the emergence of a matter of concern (Callon 2007, p. 140), something that is highly politicized and

without boundaries, rather than bounded and transparent. When faced by what is defined as a risk, the international community is setting out on a journey to frame its activities and consequently to exclude interference by a potential antagonist. The arena in which this framing process takes place resembles what Callon calls a Hybrid Forum – "Hybrid" in view of the heterogeneity and variety of the actors involved, "Forum" since it takes place in public spaces that are defined and structured (Callon, Méadel et al. 2002). What will eventually constitute the physical frame is itself contained within an institutional framework, ensuring its preservation and reproduction (Callon 1998). The process of institutionalization will be further discussed below.

The subsequent chapters are primarily based on the minutes of meetings and reports, supported by interviews with Mr Frank Wall, who was responsible for the development process for the ISPS Code in the International Maritime Organization (IMO), and Mr Johan Franson, a Swedish delegate in the IMO and Chairman of the diplomatic conference that approved the draft Code. I have also had access to all the internal reports, from all the meetings listed below, submitted by the Swedish delegates to the Swedish Maritime Administration. Furthermore, official IMO materials and documents have been used to find out how the ISPS Code has been assembled and why it has taken its current form.[24]

Using this material as a point of departure, the following text moves back in time in pursuit of the processes that once formed and still maintains the current maritime security domain, with an emphasis on the formation of the International Ship and Port Security Code (ISPS Code). In trying to define the ISPS Code as an actor in a service relationship I have given the Code a voice, introducing the different sections in its own words, and with brief reflections on its childhood and adolescence. [25]

24 The discussion regarding the SUA convention is primarily based on a conference paper and presentation by the then Vice President of the IMO Legal Committee, Professor Lee Chai.

25 This narrative move is not uncommon in Actor-Network Theory inspired writings in an attempt to give non-humans a voice and thus emphasising their roles as actants. Bruno Latour uses this narrative method in Latour (1996). Other examples can be found in Czarniawska, B. H., Tor, Ed. (2005).

The process for tightening maritime security started only two months after the 9/11 2001 attacks. Thirteen months later, the ISPS Code saw the light of day. The speed of this development process was stunning – only once had such a process within the International Maritime Organization Safety Committee been quicker.[26] This speed indicates the urgency of the change and also, as I will argue, the force exerted on the process by individual actors.

26 The development of enhanced safety regulations for Ro-Pax ships post the Estonia accident.

7

The Birth of the ISPS Code

I was a child of a time of unrest born in 1985. My mother was a terrorist group wanting to make a statement, using the maritime field as a means to make the headlines, and my father was the international maritime community reacting to a new threat. I was formed by these tensions, to protect the one from the other. However, I was a weak child, barely noticed by many – embraced by few. Soon I was forgotten, making no difference whatsoever. So I remained, until I was called upon once again. The echoes of the disastrous event of 9/11 had not even faded when I was brought back into the light, this time to influence and form what is now known as the ISPS Code. I have kept my original mind-set, negotiated away my weaknesses I have and added new features. Now I am stronger than ever, being mandatory I am known all over the world. This is my story…

Where it started

1985 was in many respects a turbulent year. Several airplane accidents were reported, in addition to the hijacking of TWA Flight 847 by members of the Hezbollah and the Egypt Air 648 hijacked by the Abu Nidal group. On October 7, an event that was important for the coming proc-

ess of building a maritime security framework took place – the hijacking of the Achille Lauro. The Achille Lauro was an Italian cruise ship en route from Alexandria to Port Said when members of the Palestine Liberation Front took control of the ship and its passengers, demanding the release of 50 Palestinians in Israeli prisons. Since it was one of the first maritime-related, politically-driven incidents, this alerted the world to the terrorist threat to maritime trade. Following the blueprint of airplane hijackings, using passengers for political purposes, the hijackers from the Palestine Liberation Front initiated a task that would continue for decades to come, and this was also propelled by the killing of one of the passengers, a disabled American Jew.

Terrorism and regulations

Slightly more than one month later an IMO Maritime Security Committee (MSC) Assembly meeting took place and, with the Achille Lauro affair in fresh memory, Resolution **A.584(14)** was adopted. The Resolution itself is a one page statement with four important points:

"The assembly,

1. *CALLS UPON all Government, port authorities and administrations, shipowners, ship operators, shipmasters and crews to take, as soon as possible, steps to review and, as necessary, strengthen port and on-board security;*
2. *DIRECTS the Maritime Safety Committee, in co-operation with other committees, as required, to develop, on a priority basis, detailed and practical technical measures, including both shoreside and shipboard measures, which may be employed by Governments, port authorities and administrations, shipowners, ship operators, shipmasters and crews to ensure the security of passengers and crews on board ships;*
3. *INVITES the maritime Safety Committee to take note of the work of the International Civil Aviation Organization in the development of standards and recommended practices for airport and aircraft security;*

4. *AUTHORIZES the Maritime Safety Committee to request the Secretary General to Issue a circular containing information on the measures developed by the Committee to Governments, organizations concerned and interested parties for their consideration and adoption."*(IMO 1985)

From having been a question of piracy and armed robbery directed against ships, a new dimension was added to the maritime security domain – to ensure the security of passengers and crews on board – seemingly a direct answer to the Achille Lauro incident. The Assembly hereby addressed the Security Committee, directing it to develop detailed and practical technical measures involving both ships and shore-side facilities. These measures were developed and approved by the Security Committee at its fifty-third session and subsequently circulated in MSC/Circ.443, "Measures to prevent unlawful acts against passengers and crew on board ships" (IMO 1986), issued in September 1986 (subsequently referred to as the Achille Lauro Circular). The measures covered by this Circular were "intended to assist Member Governments when reviewing and strengthening, as necessary, port and onboard security in accordance with Resolution A.584(14)." The actual content of the Achille Lauro Circular and the measures developed will be further discussed when turning to the development of the ISPS code. However, for the coming analysis, it is important to recognize that this document aimed to change patterns of behavior, steering actions in a preferred direction by means of the measures proposed. Using the language of the S-D Logic service perspective, it could be said that the Circular posed as a proposal, a set of embodied knowledge and skills originating from various sources, waiting for appraisal, acceptance and realization.

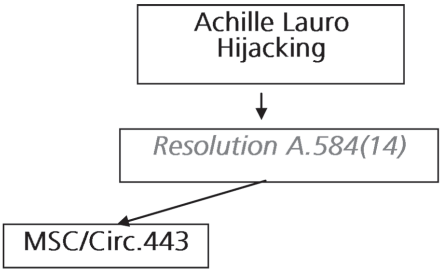


Figure 1: Initializing the Achille Lauro Circular

In addition to this, a parallel process to the development of the IMO document was carried out in the US. In August 1986, one month before the Achille Lauro Circular was published, the US government presented "the International Maritime and Port Security Act" (46 U.S.C. appl 1801) pressing for international guidance (US 1986) and setting a deadline for the international community to adopt the Circular under development, where the US delegation had provided most of the texts based on airline and airport practice.[27] In the end, the US, Canada and the UK were the only states that made the Achille Lauro Circular's guidance mandatory (Wall 2009), and it is reasonable to assume that the implementation of the actions suggested was rare in other parts of the world and that it passed by with limited attention, largely due to the specific circumstances of the incident. As a service offering, it may therefore be argued that it had limited success, since acceptance and realization were limited, but that was going to change.

Fifteen years later, another pivotal point for the development of a maritime security domain occurred with the attacks on 9/11 2001. At the IMO 22 Assembly meeting in November in the same year, a resolution was adopted that aimed to start a process to make a "review of measures and procedures to prevent acts of terrorism which threaten the security of passengers and crews and the safety of ships" (IMO 2001).

27 Later the US Coast Guard head of delegation in the IMO development process was honoured the US Department of Transportation Silver Medal for his work on the regulatory process within IMO related to the Achille Lauro incident.

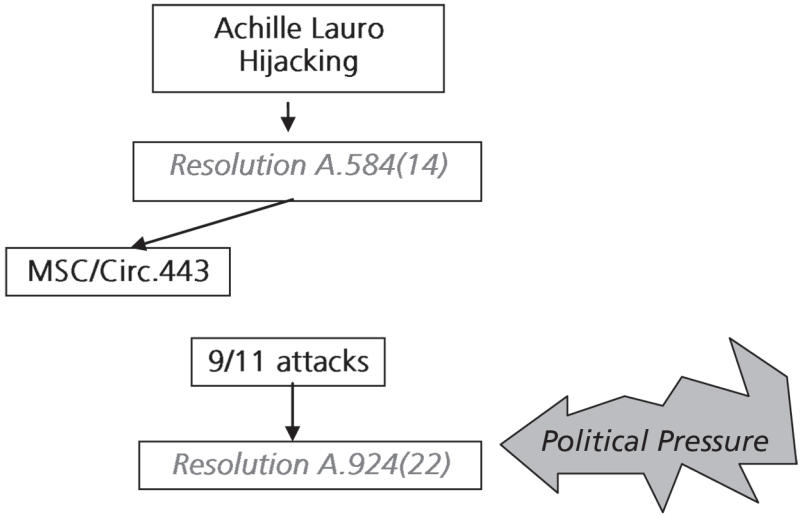


Figure 2: A new resolution initiates another development process

This review was to start with an extraordinary meeting of the Maritime Safety Committee (MSC) in February in the coming year, a meeting chaired and financed by the US. Within a mere two months from the decision to start the process of tightening maritime security, initiated by the resolution adopted at the IMO 22 Assembly, the US delegation presented a well-disposed package that set the framework for the entire process to come (IMO 2002). The background for the proposals was an assessment related to the security of US- flagged ships, foreign ships entering US ports and US port facilities. The assessment indicated that initiatives had to be taken to improve maritime domain awareness and maritime security within the United States and that it would be beneficial if the measures were adopted worldwide. This document (subsequently referred to as "the US document") seems to have had a significant impact on the process and is frequently referred to in internal reports by the Swedish delegates. The following quotations are from the report after the first meeting of the working group;

> The US has in its petition to the working group meeting (MSC/ISWG/5/7), which practically formed the basis for the meeting, suggested that the demand of equipping ships with AIS transponders as decided through the recently changed chapter V in SOLAS to be brought forward.
>
> In the US petition there is also a proposal that the AIS transponders should be connected through satellite. This would mean that all ships could be monitored anywhere at sea.The US proposal means that in chapter XI in SOLAS there should be a rule that demands security plans for ships and platforms. The proposal initiated a lot of debate, not due to security plans for ships, including floating platforms, but for the demand of security plans for fixed platforms. SOLAS does not cover fixed platforms.
>
> The question of Port Vulnerability Assessments was also a part of the suggested actions in the US proposal. When the US delegation presented this part of its proposal they explained that the evaluation of a port should be done with focus on the risk for the ships at call.
>
> It should be noted, in regard of sea farers ID documents, that the US proposal of including fingerprints and retina scans was met by massive opposition. (Franson 2002)

This quotation indicates that, in many respects, this document as an outline of a full set of proposals aimed at reducing the risk of maritime terrorism, and it established the future agenda in the discussions for the coming eleven months. Bearing in mind the speed of development, as soon as this proposal had been negotiated and in most of its components accepted as the platform from which to continue the process, it was taken for granted and became a working paper for the working group. As a service proposal it was successful – the knowledge and skills embedded in the text seems to have been immediately accepted as such since the continuation of the process aimed at negotiating what value the different parts of the proposal had, and thus what to transfer into the new regulations. This process may be regarded as co-creation of value, where the supplier of the operant resource and the receiver make the best of the relationship.

The US delegation supplied texts; the working group received, translated and negotiated to finally end up with an acceptable compromise. The knowledge and skills had then accumulated and moved one step closer to the final destination – the ports of the world.

The contents of the proposal were not entirely new though. In many respects it was based on the Achille Lauro Circular to which it returned in the form of many references in the document. The initial mind-set that once was formed by the US in developing the Achille Lauro Circular continued to invoke its powers on the process, history repeating itself. The Circular had proved to be what Callon calls a durable inscription (Callon 1991, p. 143); it reappeared to make a difference many years later. In S-D Logic terms, this text became an operant resource, an assemblage of knowledge and skills, in the formatting of new regulations. However, we here experience a feedback loop in what is defined as a linear process. Earlier proposals and earlier service provisions are brought back on scene, in a reformatted and improved shape but with the same inherent ambitions. Without a historical perspective and if we fail to appreciate that these processes are far from linear, it would be hard to understand them and their significance. Instead of walking the line we should be crawling the web of interrelations and associations. What, then, was the significance of this particular process? How much of the Circular was valued sufficiently to incorporate into the new regulations?

The Achille Lauro Circular and the ISPS Code

The Achille Lauro Circular (IMO 1986) contains three major sections – General Provisions, Port facility security plan and Ship security plan. The contents are not mandatory but *should be taken into consideration and adopted* by governments, the organizations concerned, and interested parties. When analyzing the different components in the Circular they can almost all be found in the ISPS Code, in many cases to the letter. In the case of the Port facility plan, 13 out of 15 paragraphs in the Circular have found their way straight into the ISPS Code. For the Ship security plan, it is a full match – 18 out of 18. This conforms well with the proposals in the US document regarding ship and port security plans,

including the responsibilities for Port facility and Ship security officers. The obvious weakness – non-mandatory application – is approached in the US proposal, which suggests that the Circular should be rewritten in the coming process, and made compulsory.

The Achille Lauro Circular also contains three annexes with *"information which may be useful when developing or improving security measures"*. The first annex (Annex 1, Security Surveys) is divided into four major parts – General provisions, Port facility security surveys, Ship security surveys and Periodic security surveys. Here we find suggestions as to the procedures and responsibilities regarding surveys and assessments, as well as the roles of operator security officers, ship security officers and port facility security officers in performing these surveys and assessments. Whereas the recommendations for port security surveys show a low level of similarities between the Achille Lauro Circular and the ISPS Code (3 out of 28), on the other hand the ship security survey suggested in the Circular is more widely adopted (14 out of 23). These points can be found in the ISPS Code Part B, Section 8. Part B of the ISPS Code is not mandatory but, as a result of Regulation (EC) 725/2004 of the European Parliament and the Council, some selected sections of Part B are to be regarded as if they were mandatory. These sections include Sections 8.3-8.10, reflecting the recommendations in the Achille Lauro Circular (Annex 1). What becomes clear is that the work devoted to developing the Circular, and the knowledge and skills, politics and ambition incorporated in that text, continue to live on in the new regulations.

The low level of similarities between the Circular and the ISPS Code in the field of port security surveys may be explained. In the US document, it is stated that the US is "*developing the requirements for port vulnerability assessments for submission to, and consideration by IMO*"; requirements that subsequently introduced in a proposal in a document entitled MSC 75/17/35. It would be reasonable to assume that a major part of the ISPS Code concerning port vulnerability assessments had its origin in these proposed requirements, due to the previous impact of US proposals on the rest of the code, but that is not the case. The suggestions by the US delegation regarding port security assessments in MSC 75/17/35 only had a slight resemblance to the Achille Lauro Circular (Annex 1),

with a high level of details and a step-by-step provision reflecting the standards for civil aviation and the US interest in a strict security regime. These interests are well reflected by hosting and financing the first working group meeting and initiating the task by submitting the two proposals with strict components, some of which the international community accepted, while other elements were contested. However, on the contrary, the final version of the ISPS Code (Part A, section 15) has a low level of detail, merely with some guidance as to the minimum required elements.

In the non-compulsory Part B (Section 15), the Port Facility Assessment is developed further and the EU makes Sections 15.3-4 compulsory. One of the key reasons for this development seems to be that it can be linked to the nature of the hybrid forum in which this phase of the ISPS Code took shape. Even if the Americans greatly wanted to implement a strong regulatory policy quickly, they had to push it through an international body with many wills. In order to succeed, and not become bogged down in long-term negotiations, it was necessary to produce a document not overly filled with details to which diverse nation-states might re-act negatively. As Frank Wall, head of the development of the ISPS Code at the IMO, explained the situation to me, the key was to "keep it simple – move on", the higher the level of detail, the harder it would be to get acceptance and keep the momentum (Wall). Keeping the compulsory Part A quite general and by moving more detailed provisions to the voluntary Part B contributed to a quicker process. By regarding Part B as good practice, and making it, in part, regionally compulsory (for example in Europe), it became an international requirement even though this was not formally decided during the process (Franson 2008). The international community had to be enrolled into the new regime to make it powerful enough to make a difference. The hybrid forums of the various working groups provided the arena on which this took place. Here the wills and ambitions of men and women from different nations, different organizations, and with different social and cultural perspectives blended with documents with a history of their own, all affected by one another.[28]

28 The very nature of these hybrid forums, a combination of formal meetings and informal discussions, makes them hard to physically look into. Much of the analysis

The second annex of the Achille Lauro Circular (Annex 2, Security Measures and Procedures) makes it clear that the authors of the Circular did take into account the experiences of the International Civil Aviation Organization as invited by the Resolution A584(14). This annex contains detailed instructions regarding security measures and procedures, including height of fences, design of security lighting, and layout of security identity cards, etc. This is, however, a level of detail much higher than that found in the ISPS Code. The Achille Lauro Circular mainly aimed at protecting crews and passengers, en route to, and on passenger ships, flows quite similar to the embarkment/disembarkment phase as a concern in the aviation security field. When developing the ISPS Code, however, this was not taken into account for the benefit of a more general approach to ship and port security, due to the unwillingness of the international community to establish an excessively strict regime in the maritime setting, and normally being adverse to regulations for historical reasons.[29] One of the few points in Annex 2 that has found its way into the Code is the notion of "restricted areas", identified to protect vital functions within the ship or port.

The third and last annex of the Achille Lauro Circular (Annex 3, Security Training) that primarily dealt with security training, was drawn upon heavily in Part B of the ISPS code, once again demonstrating the ability of an older non-mandatory regulation to come to life in new ways.[30]

The final result became a compulsory code based on seven functional requirements: covering issues like gathering and assessing information

is thus based upon the traces these forums have left in different kinds of documents. Bearing in mind the mix of different nationalities, organizational origin (especially shipping versus coast guards) it is probable that there are social and cultural differences. In some cases this is confirmed in interviews, but it cannot be entirely ruled out that there is some kind of bias in the material. However, being a narrative it is as much a story told by the material as such as it is my own story.

29 During many of the interviews, the relation between the shipping community and regulations was described as tensed. Being almost as old as mankind, shipping has been looked upon as significantly free; regulations therefore an intrusion to that freedom. These tensions, even if interesting indeed, would require their own thesis if to make them justice. I will therefore refrain to go further into that discussion.

30 This becomes evident in part B, where 13.1 p.1-20, 13.2 p.1-5, 13.3 p.1-11, 18.1 p.1-20, 18.2 p. 1-10 altogether covers the main parts of Annex 3 in the Achille Lauro circular.

with respect to security threats, maintaining communication protocols for ships and port facilities, preventing unauthorized access to ships, port facilities and restricted areas, preventing the introduction of unauthorized weapons, etc, providing means for raising an alarm in the event of threats or security incidents, requiring ship and port facility security plans based on security assessments, and finally, requiring training, drills and exercises to ensure familiarity with security plans and procedures (ISPS Code, Part A, 1.4). The Code is based on three levels of security threats, where the first level corresponds to normal activities, the second level reflects an increased threat and the third level indicates where a security related incident is probable or imminent, even if a specific target may not be identifiable.

Security is still defined as local technological solutions to a loosely defined global threat – a heritage from the aviation industry and the manner it has strived to protect passengers and planes through the use of fences, scanners, and the like. But such solutions have now been implemented via the Achille Lauro Circular into the ISPS Code. The solutions argued for are instrumental and procedural, based on written plans and procedures and carried out mainly through technological artifacts. Even if the maritime community negotiated away the most detailed prescriptions, the mental mode of the Achille Lauro Circular (and the aviation industry) lives on. These were measures with which the actors involved were already familiar, recognizing that they had already been discussed and negotiated previously and thus were acceptable. (Interview Franson) However, as we shall see in the next chapter, this did not always translate into the port context without problems.

The end result, for the port, was a belief that a basic level of security could be achieved by controlling access to the port, monitoring the port facility, monitoring restricted areas, supervizing the handling of cargo and ships stores and ensuring that security communication was readily available. For every increase in security level, additional security-enhancing measures would have to be undertaken in accordance with the port facility security plan that was to be based on a port facility security assessment. Furthermore, each port facility would have a designated port facility security officer, whose duties covered issues like maintenance of

security plans and assessments, exercises and drills, regular inspections of the port facility and security equipment, keeping records and reporting to the relevant authorities. All of this would be entirely new tasks for the Swedish port. The implication here is the redefinition of the port, from once having primarily been a local concern linked to an international flow of goods, it became a critical node in a global system where the boundaries between local and global had been renegotiated, and a shift in perspective was the result of the intrusion of the new regulations. With the new security regime came new structures of control, new borders, new zones to monitor, and new sorting mechanisms.

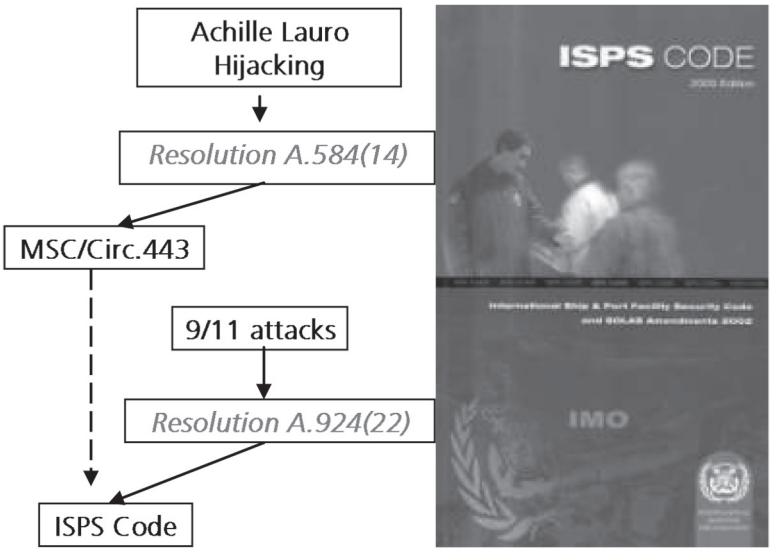


Figure 3: The ISPS Code emerges as an actant

The above historical account is not easily described in S-D Logic terms. The influence of previous knowledge and skills is obvious, no matter whether you call it "service", "an imitative ray", or "an Actor-Network". In every instance of the process, as described above, there is a proposal that can be defined as an invitation to apply a set of knowledge and skills.

At the end of the day, there is also acceptance of sorts, but not of the proposal as such but the translated and negotiated product of a process that goes beyond the original proposal in both time and space, influenced by national and organizational affinities. It could be argued that the translation and negotiation process resembles what S-D Logic labels as co-creation. It is a process within an interaction between two or more actors with different interests, based on different rationalities. However, the co-creation concept takes its point of departure in the realization of a proposal, but once it is realized it is no longer in a process of co-creation, it is a completed offering. Consequently, it is only after the completion that one can reflect upon what has been co-created and begin to value/evaluate it. It is not until the customer actually benefits from a service that the value can be assessed. Described in terms like translation (as a process of mutual definition and inscription), enrolment (the ability to acquire acceptance for a specific idea), or qualification (being the solution that survives the competition with other solutions), the procedural properties become much clearer when taking into consideration the complexity of the activity described.

This process also involves several feedback loops distorting the linear foundations of S-D Logic, the most obvious being the reappearance of the Achille Lauro Circular. The entire process seems bombarded with proposals of different origin, acceptance being a process of translation and negotiation rather than a pure decision of a "yes" or a "no" character. Having said that, I do regard co-creation as a process of translation and negotiation. However the way it is framed and defined tends to underestimate the complexity and nature of the interaction. The conclusions above might be out of line due to the focus on the artifacts and mediators that the above analysis has been primarily based upon, and texts and paragraphs stemming from earlier development processes. In the next chapter, I will therefore bring in the actors and the actual development process of the ISPS Code where S-D Logic might come more into its own right.

8

"The Chaotic 13 Months"

The process of my transformation, from being a weak Circular to become a mandatory Code, was fast and furious. Different interests, different perspectives, and different preconditions were all at work in negotiating my strengths and features. I wanted to be sharp as a knife, detailed and precise, further developing my initial mind-set and intentions. I had my enrolled supporters, sharing my agenda and speaking on my behalf where I could only be on display. Others wanted me to be general, supportive and leave it to my caretakers, the ships and ports of different nations, to shape me. As a result of this battle of interests, I was transformed, to become a compromise, neither sharp nor general.

The development process

Having identified the origin of the main body of the ISPS Code in historic documents, it is time to analyze the actual development process, or *"the chaotic 13 months"* as Mr. Johan Franson of the Swedish Maritime Administration (SMA) depicted it during the interview.

The materials employed for this analysis come from sources directly involved, either originating in interviews with individuals who participated in the negotiations or in reports written by the actors involved. The

two main perspectives come from the Chairman of the entire process, Mr. Frank Wall, and the Swedish delegacy and its personnel who were involved in the process. The following discussion thus echoes two voices, with the public documents as a background. By balancing the Swedish national perspective with the perspective of the IMO through Mr. Wall, the analysis will however be calibrated with regard to where the Code finally will end up – in Swedish ports.

When analyzing this process, a few things have to be borne in mind. First of all the sympathy for the US from the major part of the international community (being so close in time to the 9/11 events), secondly the extremely tight timeframe between the start of the development process to the diplomatic conference in which the final code was to be presented, then the parallel development of the US Maritime Transportation Security Act (MTSA), as well as a high degree of political pressure from individual countries. The interests of the US delegates were a given factor, but quite a few European countries facing, or having faced, a similar situation (like the UK-IRA, Spain-ETA, Germany-RAF and other semi-internal conflicts) pushed hard for a solution to the problem of terrorism. With a dismantled Customs control within the European Union, the development of the ISPS Code offered a chance to regain some of the lost control of the regional flow of goods and its infrastructure. In a sense, this would help European nations refortify their borders where EU legislation had made them slightly more porous in the preceding decade. Another important factor was a general fear of national or regional solutions – if the international community did not hasten to present an international solution, then individual countries or cooperative regions, like the EU or the US, would find their own ways to tackle the problem. The person appointed to head the performance of this delicate balance act was Mr. Frank Wall from the United Kingdom.

In short, the backbone of the process was based on six different meetings.

1. 22nd Assembly meeting, November 19-30, 2001

2. MSC 75/ISWG[31], February 11-15, 2002
3. MSC 75, May 15-24, 2002
4. MSC 76/ISWG, September 9-13, 2002
5. MSC 76, December 2-13, 2002
6. Diplomatic Conference on Maritime Security, December 9-13, 2002

The 22nd Assembly meeting was really only constituting the process by defining the problem, deciding on and setting the date for the February Inter-Sessional Working Group meeting (ISWG) where, in the opening statement, the Secretary General of IMO stressed the need for "… highlighting and promoting the need for the development of a security culture in all maritime operations." (MSC 75/ISWG/WP.1) Sixty seven member countries participated in the meeting, plus a number of associated members, intergovernmental, and non-governmental organizations.

During this February ISWG meeting, the first example of tactics arose. The new Code was to be integrated as a new chapter in SOLAS, the Convention for Safety Of Life At Sea, but with a strong emphasis on Port Security. This was not unchallenged. Having SOLAS moving ashore was an oddity questioned by many, to the degree where an entirely new convention was called for. However, in order to avoid a long bureaucratic process for an entirely new set of regulations, the process could be speeded up by using SOLAS as a vehicle for the ISPS Code; adding the ISPS Code to an existing convention would mean a quicker implementation process. By reverting to the Achille Lauro Circular, adopting and adapting the definition of "Port Facility", and adding the vague notion of "Ship-Port Interface" (supported by the fact that SOLAS already *has* some regulations for land-based facilities), the dispute was neutralized and never got back on the table. This is a good example of how new actors or actants are drawn into the network, in this case with a different set of regulations posing as a vehicle for the transmission of the ISPS Code. As shown, this move was not unchallenged; some nation states were opposed to the solution proposed on the grounds discussed above.

31 To be read "The 75th meeting of the Maritime Safety Committee (MSC), Inter Sessional Working Group (ISWG)"

However, the idea gained enough support, through translation and negotiation and enrolling other actors to embrace it, to carry it all the way into the SOLAS Convention.

All in all, this was the strategy used – reducing the level of detail in what could be sensitive areas avoided "unnecessary" arguments, and hence the momentum could be maintained. Another strategy, as previously mentioned, was to use as much as possible of existing materials (like the Achille Lauro Circular) since they were already official documents, previously acknowledged by the MSC, and widely accepted (even though marginally applied) by the international community, once again keeping up the speed in the process. At the same time, in doing this a mind-set from another era was imported, i.e the result of another process distant in time and space. Here we, once again, experience the same feedback loop discussed in the previous chapter, since the new regulation being a re-translated version of the old.

The consequences of maintaining speed, and using the available shortcuts is best described by the very pragmatic view of Mr Frank Wall; "Better to have an imperfect code than no code at all…" He shares this view with the IMO Secretary General, who also acknowledged the fact that the ISPS Code has its weaknesses.

> The ISPS Code, as it stands, may not be the final solution to this problem. But surely it is better to have a tool, albeit imperfect, that we can refine and improve over time, than nothing at all? (Mitropoulos 2004, p. 108)

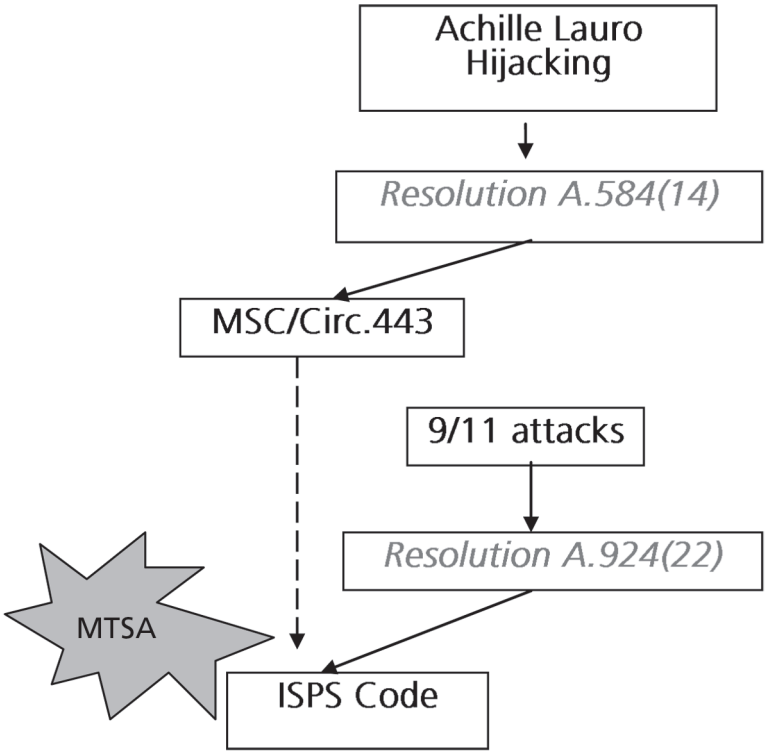
This attitude, in many ways, acknowledges the complexity of the creation of international regulations. The ISPS Code can and should be refined. Furthermore, as our historical account has made explicit, it is in itself a refinement.

But, from an S-D Logic point of view, what does the Code represent, conceptually? I have chosen to define the Code as a service proposition that will eventually meet the port. But so is every idea, suggestion, and proposal, in the process described. However, in trying to treat every single input to the process as linear, without accepting the fact that there are

loops, relations, and negotiations, we will quite soon get stuck in the vast complexity it poses. As previously mentioned, the political pressure was substantial. The drafting of the Code became a tug-of-war between different interests, mainly between the European delegates and the delegates from the US. One example of this tension is discussions about compliance control of ships. Here the difference in organization and culture created tensions between the two camps. The US organization, with the Coast Guard tightly interlinked with the maritime administration (and with a presence in the working group), differed, not only in organization but also in security culture, from many other nations and regions where this link between enforcement and trade is less evident. In Sweden, for example, the Maritime Administration and the Coast Guard are two separate authorities, the Maritime Administration being represented in the IMO and responsible for implementation control of the ISPS Code through its inspectors. The US Coast Guard, on the other hand, is a part of the US Armed Forces (and thus the only military organization within the Department of Homeland Security) and its area of responsibility stretches from inland waters, ports and waterways to protecting vital national interests on the high seas. As a part of the armed forces, the mind-set in relation to security within the US Coast Guard differs greatly in comparison with a civilian authority focused on the safety of navigation and trade. The working group handling compliance control was initially dominated by the US but more EU members were called in to create a balance versus the US military-influenced security perspective.

Another strategy to avoid head-on collisions with the US interests was to follow the parallel development of the US Maritime Transport Security Act (MTSA). This process had a head start, and the ISPS development followed in its wake, enabling the ISPS authors to avoid obvious clashes of interest and definitions. The only remaining difference between the ISPS and MTSA can be found in the definitions of Port and Port Facility where the ISPS Code defines the Port Facility as the ship-shore interface but where the MTSA Port Facility has a wider meaning and may involve several ship-shore interface points, not being limited by the SOLAS framework where the connection to land-based facilities had to be kept to a minimum. In practice this difference has limited impor-

tance. The similarities between the MTSA and the ISPS Code, bearing in mind that the MTSA development process had a head start, indicates that even the MTSA might have had its genealogical roots in the Achille Lauro incident and the subsequent regulatory process.



From an analytical viewpoint, S-D Logic offers some degree of explanatory insights. Competition, as we have seen, was fierce during the process. Competing interests and ideas, to some extent based on knowledge and skills, were at the heart of the battle. Proposals, acceptance, and realization, can, with a considerable proportion of good will, describe some singled-out processes within the development of the Code. One shortcoming here, however, lies in the fact that such a description would not

take into consideration the complexity and interrelatedness of the process since it lacks a proper analytical language to cope with such a multitude of interrelated relationships. Furthermore, the bulk of the foundational principles of S-D Logic still fall short of target in analyzing what took place during these 13 chaotic months. The customer vs. supplier laden principles fail due to the difficulties of trying to sort out who is a supplier and who a beneficiary would be in this anthill of actors, actants, interests, and processes, and the same goes for the principles based on value creation. This might be an unfair comparison and S-D Logic might be more useful when the Code has been established and meets the port. However, the story about the Code and the Achille Lauro Circular has not yet come to the end.

9

The Mother of Two

I have a twin sister, sharing original parents but brought up in different environments. She was taken care of by the Legal Committee, relatively stronger at birth as a Convention, but still not widely in use. Sharing the same background, she also had to adjust to the new terrorist threats after the attacks of 2001. She adapted and transformed to meet the threats of the new millennium. Her transformation process reflects my own; she was caught between different interests, meeting new people with new agendas, fighting for her strength. But in the end we both have a past which is in essence still very much the present.

A parallel process

As a result of Resolution A.584(14) and the Achille Lauro Circular, the Achille Lauro affair, initiated a second process related to maritime security. I will here describe this parallel process and intend to use this as another example of how a regulatory process can look and to complete the picture of the effects the Achille Lauro incident had on maritime security at that time, as well as now.

In November 1986 the Governments of Austria, Egypt and Italy proposed that the IMO should prepare a convention on the subject of unlawful acts against the safety of maritime navigation. The overall aim

of this convention was "to provide for a comprehensive suppression of unlawful acts committed against the safety of maritime navigation which endanger innocent human lives, jeopardize the safety of persons and property, seriously affect the operation of maritime services and thus are of grave concern to the international community as a whole."

In 1988 a conference was held at which the Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation (the SUA Convention) was adopted. This Convention entered into force in May 1992. Unlike the Achille Lauro Circular, and the later ISPS Code, this Convention offered a legal framework to suppress certain acts by making them illegal and possible grounds for prosecution. The main focus of the Convention was, in line with the Achille Lauro Circular, the security of the crew, passengers and the ship as such, with an emphasis on the security threat affecting safe navigation of the ship. It did not view shipping as a possible means of transferring a threat from point A to point B.

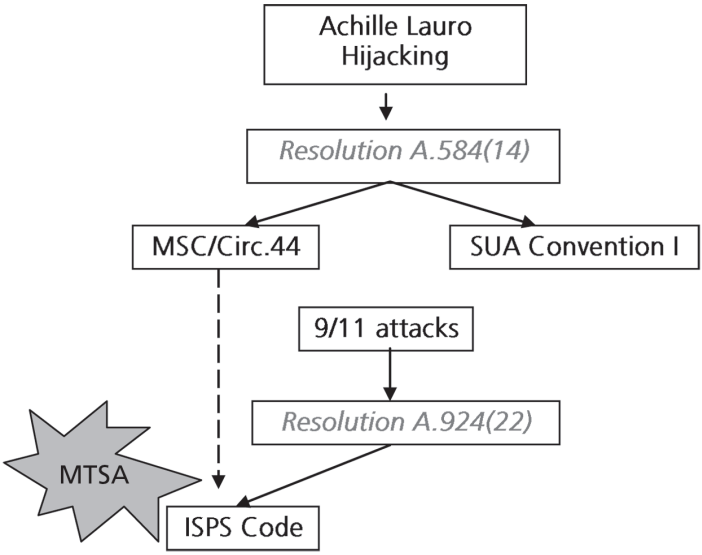


Figure 4: A parallel process

After the 9/11 attack, efforts were initiated to strengthen the SUA Convention. In Resolution A.924(22), adopted in November 2001, the IMO Assembly called for a revision of the Convention to better prevent and suppress terrorism against ships and to improve security aboard and ashore. As a second development process focused on terrorism, initiated at the same Assembly (together with the ISPS development process), this wound up on the table of the IMO Legal Committee. The Legal Committee is responsible for formulating conventions and advising other IMO bodies in legal matters. The Legal Committee consists of professionals on maritime law and has in its own view "…been characterized by a correct working process with high integrity and a low level of political interference or concerns." (Chai 2005) With the SUA revision on the table, new stakeholders in addition to maritime lawyers such as Coast Guard and Naval officers were introduced and the Committee was drawn into a political process of dimensions never experienced before, with many of the new stakeholders speaking on a line that primarily reflected their own specific national interest. As Chai notes, "A superpower was in the lead with the determination to achieve certain pre-arranged goals (ibid)": a quote indicating the explicit lead of the US delegates. Compared to the Maritime Safety Committee, where delegates are in a constant flux changing from meeting to meeting, the Legal Committee is usually more heterogeneous and rigid. The politicized situation was therefore more tangible and more clearly visible than the related ISPS process in the Safety Committee.

The revisions of the SUA Convention eventually led to two amending protocols, introducing new crimes and extending the scope of the old crimes. There was subsequently a clear shift from a perspective of safety of navigation to a perspective where shipping could be used as a vehicle carrying a threat aimed at targets on land. This embraced not only artifacts such as weapons and dirty bombs but, for example, also the "terrorist" as such, and chemicals that could be used by an antagonist. Nation states were allowed to board and search a ship on the high seas on the grounds of suspicion. The magnitude of the changes triggered arguments about not only whether this called for an entirely new convention but also about whether the IMO was the correct legislative body to handle

them. The protocols became so complex; referring to other conventions of other UN bodies and also based on a language that was not recognized within the legal community, so that they were felt to be very hard to interpret, more suited for enforcement units to act upon rather than judgments by lawyers. Viewed from the perspective of the legal committee, the service offered to the global community changed. Initially written by lawyers for lawyers, it was now rewritten under the strong political influence of laymen from individual nations, many of whom had a military background, to permit acts of enforcement. Even though the supplier of the Convention was still the same – the IMO Legal Committee – the beneficiary shifted from courts of law to coast guards and naval units. New actors and processes of translation; redefining and amending, made this shift possible.

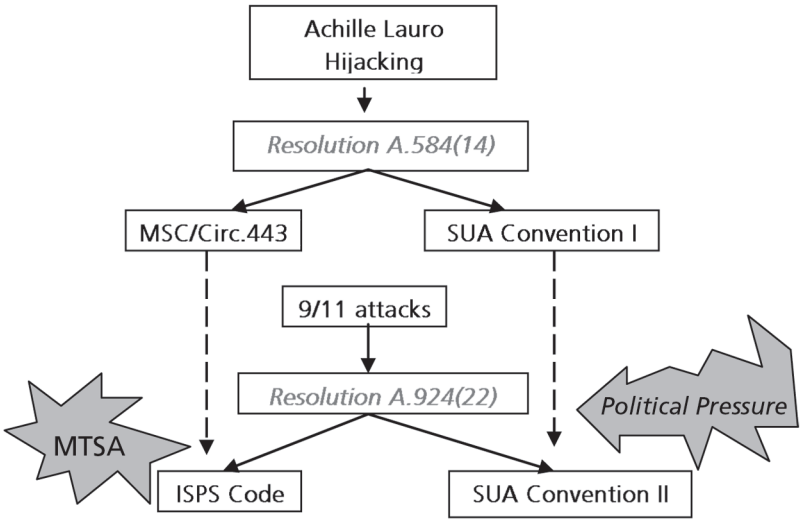


Figure 5: The mother of two, a complete picture

As with the ISPS code important things were at stake, not only the security of the sea farers and the safety of navigations but also the risk of the maritime supply chain being used for transporting weapons of mass

destruction. Where the ISPS code created a standard for security in ports and onboard ships world wide the revised SUA convention with the new protocols opened up for direct action to board and search vessels on the high seas, looking for potential threats; persons, weapons, substances etc. The ISPS development process (and its rather weak formulations) was balanced by the possibilities of the revised SUA convention (through *its* rather weak and subjective formulations).

10

A Reflection on Regulations and Service

So here I am, carrying the knowledge and ambition of my creators into relationships with ships and ports all over the world. Some acknowledge my presence as necessary and logical; some treat me with suspicion and have problems in understanding my mission. I offer them my skills, procedures, and a structure to follow. At the same time, I am a demanding partner; in return for my favours I demand a structured practice by using my regulatory strengths. Being global, I do my best to be treated the same way everywhere, but that is not always easy. My heritage, my original frame of mind is not globally shared. Everywhere I go I am being stretched and bent to the limits to fit into the local setting, to make sense. However, I do what I can to frame and protect the maritime flow of goods.

Rational solutions

As two branches of the same tree, the ISPS Code and the revised SUA Convention have broadened the maritime security domain. Stemming from the same historical event, the hijacking of the Achille Lauro, they now interact to strengthen the control of the flow of goods and peo-

ple, over the seas and through ports. This has implied a successive transformation, or translation, of the Achille Lauro incident and the Achille Lauro Circular, a process in which piracy has turned into terrorism, and ports have lost their local imprint as a position situated in a global flow of goods. There is no doubt that there have been specific interests behind these processes and the path they have taken. It is also clear that these interests have called for unorthodox measures to ensure a swift implementation of the regulations, as a result of a controversial insertion of the ISPS Code into SOLAS and unconventional amendments of the SUA Convention. Whether this is a strength or a weakness for the international community is not currently discussed, but it is reasonable to think that this issue will be raised again. To cite Paul Slovic: "Whoever controls the definition of risk controls the rational solution to the problem at hand. /…/. Defining risk is thus an exercise in power. (Slovic 1999, p. 699)" What becomes evident is that knowledge and skills from the past continue to invoke their powers in today's ports, guided by national interests along the way. In the case described above, power is an inherent feature in the service proposal. Power has been invoked in every part of the process from the very beginning of the story and the hijacking of the Achille Lauro. More than so – in this case the result at this stage is a service offering that is a tool with power to achieve certain goals; a more secure maritime flow of goods and people. In an appreciation of the basic definition of service as the application of knowledge and skills, the question of power is somewhat troubling, primarily due to the imbalance it creates. There is a relationship between the supplier and the beneficiary, but it is based on unequal terms. Turning to Foucault we learn that:

> Power relations are both intentional and non-subjective. If in fact they are intelligible, this is not because they are the effect of another instance that "explains" them, but rather because they are imbued, through and through, with calculation: there is no power that is exercised without a series of aims and objectives. (Foucault 1978, p. 94-95)

In the context of the above quotation, we may conclude that power is an inherent aspect of relationships, that power is relational as well as inten-

tional. This is an aspect of the service encounter which has not been fully appreciated by mainstream Service Management scholars despite the relational character of services. In organizational studies, however, power is on the agenda. Drawing upon Clegg´s work on power in organizational life, structures of domination are historically constituted systems of social order. Clegg argues that every sphere of social life, without exception, is influenced by a structure of dominancy which provides actors with a tacit understanding of how they are supposed to behave (Clegg, Courpasson et al. 2006). Some work has been done in this vein (see for example Hultman and Ek 2011) but is something which needs to be addressed more fully in the service studies field. In the case described above, the basic feature of the service is not provision, but dictation. Can something dictated conceptually be regarded as service? It could be argued that at some stage is a line that is traversed, where power exceeds the limit of when the application of knowledge and skills for the benefit of another party can be regarded as service. But then who decides when and where this line is crossed?

Regulations and Service

The entire process, as described above, aims to provide a structure, to foster alignment, to transfer knowledge and thus provide a platform onto which one can build a "security culture". The ISPS Code developed a voice of its own in relation to certain aspects of maritime security and, with the support of enrolled nation states, it approached the port with an offer. What was offered (the service provided) was fundamentally a regulatory structure based on knowledge. This was a regulation but, more than this, the offer itself was boosted as an "opportunity" to achieve security, and economic stability. And this, it might be argued was no small "service offering". Unlike traditional service provisions, this offer (the regulations) is compulsory. Whether you like it or not, as long as you are within the targeted area of the regulations you are bound by their regulatory power. And as such, this affected all ports around the world. It was a requirement for all, and implied the economic costs of implementation for all, while simultaneously providing all with the basic parameters with

which to define and implement security measures – although, as the next part of the thesis will make clear, this by no means resulted in a singular homogenous global process.

The relationship between the regulations and the port is framed by these regulatory powers, in an attempt to exclude organized crime and terrorists from the arena. The process is continuous and is, in this specific case, subsequently forced into the portfolio of services offered by the port. The regulations, via their compulsory regime, seem to enter both the demand and the supply side of a service relationship. While k*nowledge and structure* is supplied, *structured practice* is required. Unlike traditional service exchanges, the value proposition, the incitement for the receiving partner/beneficiary of the relationship, cannot be easily evaluated, but it enters into a kind of higher order rationality where the most visible features (for the beneficiary – that is the port) are the restraints and the expenditure related to the relationship (and thus perceived as negative). S-D Logic states that the customer always is a co-creator of value (see FP6). When services are exchanged, the continuous process of value creation carries on to the next operant who then becomes a co-creator of value. I have previously discussed whether co-creation is a form of translation as defined in ANT – a process of mutual definition and inscription. I doubt that this is the case. If value is to be co-created, if this relationship between the ISPS code and the port is to be perceived to be profitable for both parties, then the higher order rationality, the meaning it creates, must be valued higher than the expenditure encountered. In other fields of social exchange this can be the reality. In the case of Maritime Safety "higher order rationality" is tightly interlinked with the wellbeing of the receiving party in the relationship, the safety of the ship, the crew and its passengers, and evaluation is hence feasible. When inspecting a life-raft you know that your life can, at some point, depend on its functionality. You know it has happened before and you are aware that it might happen to your ship. This link is weaker when moving into the domain of Maritime Security, where value is harder to specify, and where the beneficiary is hard to define as long as you do not define yourself as a target or do not ascribe to the risk scenario presented. For whom is value

created? This is a question we need to examine more closely in the next part of this thesis.

The service exchange involves masks on the supplier side of the relationship because the actual service is performed by an Actor-Network, the regulations per se. In S-D Logic terms, the regulations represent a service system. This opaqueness is transferred through the subsequent service chain. Viewing the regulations as reflecting both supply and demand, supplying a structure of knowledge as well as demanding a structural practice, it is interesting to note that the masking effect becomes twice as complicated, especially with regard to the transfer of the effect into the next exchange in the service chain. For whom is the structured practice implemented when the core rationality is questioned, and there is no possibility of opting out of the regulated features in the service portfolio? It is reasonable to assume that the processes here described are a somewhat hidden component in all markets. Even if we speak of free markets, there are always rules, regulations or norms in place that restrict market actors, causing them to shape their offerings in particular ways. The structural environment and its effects on a service enterprise are a discussion area that has largely been ignored. Coupled with an understanding of the properties of the structure as such and its history, such a discussion can create a deeper understanding of the service enterprise, its service proposal, and how this proposal is perceived by the recipient. This is a general remark. Irrespective of whether we look at a traditional, commercial service provider such as a hotel, or if we deal with an entity with more of a social character, for example a school, there will always be abundant structural framing in place. What is interesting about the ISPS Code is the opportunity it presents to observe the processes through which these structures came into being and the potential possibilities and problems these processes create and encounter.

The focus in the next part of this thesis will therefore be on understanding the regulations as a force for change: change of behavior, change of perspective and change of values, bringing in the environment in which it will perform its exchange. Theories of institutionalization will be used to describe how external structures and practices, through the embedded power of the ISPS Code, gain momentum in organizations, and how

those institutionalized structures and practices propagate among organizations within and across industries and organizational fields. There we will also, for the first time, meet the Swedish port.

PART III

The Port Security Network

11

The Birth of an Institution

Using my regulatory powers I now negotiate how security is performed all over the world. I am being consulted and translated, I create uncertainty and provoke liaisons between diverse actors. My presence forms and maintains action reflecting my past. Slowly I'm being taken for granted, accepted. But how far can I go? Can the mind-set I am carrying become firmly implanted in the hearts and minds of the people with whom I interact, or is it just the text as such that will be followed?

In labor

In Part II, I turned to the actual regulations and proceeded to follow them, in time and space, providing them with both body and soul, as well as history and presence. This juggernaut, this empowered actant is now in motion and we will follow in its wake. Being negotiated and written, the ISPS Code started its journey of implementation, but before becoming an accepted part of daily practice it had to prove itself up to the task, that is to say, to enroll and align the ports in which it was supposed to make a difference. In traditional Service Management studies, a service relationship is usually situationally framed, an interaction within a specific setting, sometimes discussed with a stage metaphor. This type

of service studies is based on a perspective of the world as a social construction, inspired by symbolic interactionism (Solomon, Surprenant et al. 1985; Grove and Fisk 1992).

However, in this study, the service relationship is framed within a structure, a structure aimed at changing practice. What is being exchanged is knowledge and skills, where the outcome will eventually put restraints on the very market in which the exchange takes place as part of a wider scheme of service interaction. Within this framework, exchange mechanisms of control are being co-constructed and organized. On the one hand, there is the free market where interaction is based on commercial relationships, while, on the other, there is a market of structure, constraints and control where changing behavior is the ultimate goal. This change is supposedly to become permanent and taken for granted, or institutionalized. At issue here are competing processes of change and structuralization. The objective of Part III is therefore to question the role the ISPS Code has played as an agent of both change and stability. In order to do this, I will start by framing the ISPS Code in relation to the theoretical field commonly referred to as Institutional Theory, and specifically to the more recent New Institutional Theory. Having done this, this chapter moves on to the role borders play as demarcations of alternative behavior. As visible or invisible consequences of the ISPS Code and its facilitation of change (as well as its stabilizing features) borders arise that may further highlight the agency of the ISPS Code; these borders may affect the way in which the Code affects those in its proximity. If so, the question is how, and what significance do the processes at work here have for the security the code is supposed to enhance.

Having done this, Part III moves on empirically to the realm of the port itself, to investigate the changing material and cultural context of the port. Here we will see the consequences of institutionalization, but also some of its limits – or at least the limits the ISPS Code has had in becoming institutionalized.

From provocation to practice

Institutionalism in organizational analysis is a diverse theoretical field, looking at structures and mechanisms in the social order. Early institutionalism focused on the formal institutions of government and the state, where conflicts of interest were the central issue. The local environment was the primary setting for analysis and values, norms, and attitudes and the key forms of cognition. The theory of new institutionalism, on the other hand, focuses on a broad set of structures and processes and analyzes the repetition and diffusion of action within a field, sector, or society, rather than the local environment. The primary setting has changed from values, norms and attitudes to taken-for-granted scripts, rules, and classifications, which are regarded as the stuff of which institutions are made. As a result of this change, it is not the organizations that are institutionalized but forms, structures and rules. Whereas the early institutionalism regarded organizations as organic wholes, the new institutionalism treats them as loosely coupled arrays of standardized elements[32]. In the case of the ISPS Code and its relationship with the Swedish ports, the process of institutionalisation becomes a relevant point of departure, taking into consideration its structural properties.

This theoretical foundation has been used in several fields, such as public choice, regime theory, economics, and in organization theory (Powell and DiMaggio 1991). Here I will position the analysis in the new institutionalism in organizational analysis, as this perspective puts emphasis on how action is structured and order is made possible by shared systems. Scott and Meyers define institutions and institutionalization from an organizational perspective as…

> …cultural rules giving collective meaning and value to particular entities and activities integrating them into larger schemes. We see both patterns of activity and the units involved in them (individual and other social entities) as constructed by such wider rules. Institutionalization, in this usage, is the process by which a given set of units and a pattern of activities come to be normatively and cog-

32 See Powell & DiMaggio 1991, p. 13, Table 1.1, for a comparison between the features of old vs. new institutionalism.

> nitively held in place, and practically taken for granted as lawful (whether as a matter of formal law, custom, or knowledge). (Scott and Meyer 1994, p. 10)

This definition, with a cognitive emphasis, allows for "other social entities" to be included in the analysis, and stresses a cognitive perspective. As Actor-Network Theory prescribes in the dissemination of "the social", this paves the way for including artifacts in the analysis and therefore also the role of the ISPS Code as such. Friedland and Alford have a similar definition, focusing on the symbolic values, adding an outspoken meaning of experience of time and space:

> Institutions are symbolic systems, ways of ordering reality, and thereby rendering experience of time and space meaningful. (Scott and Meyer 1994, p. 58)

As history is having an effect on the present, as discussed in the previous elaboration on the development of the ISPS Code, this definition also covers the temporal and spatial aspects implicitly, as part of institutions. And here, the meaning of time and space as regards the institutionalization process in the case of the ISPS Code will be of specific interest. A third definition, with a more sociologic perspective, is provided by Powell and DiMaggio:

> The new institutionalism in organizational analysis has a distinctly sociological flavour. This perspective emphasizes the ways in which action is structured and order made possible by shared systems of rules that both constrain the inclination and capacity of actors to optimize as well as privilege some groups whose interests are secured by prevailing rewards and sanctions. (Powell and DiMaggio 1991, p. 11)

The last definition embracing the previous two, and all three definitions, stresses the integration of entities in shared systems, with collective meaning, thus creating structure and order. The institution is a black box of taken-for-granted scripts, rules, and classifications. Powell and DiMaggio argue that the institutionalization process is driven by the interests of

some actors to introduce constraints on others via rewards and sanctions. The Nobel-prize winner, and institutional economist, Douglas North, stresses, in line with Powell and DiMaggio, the importance of political structures and institutional rules backed by enforcement mechanisms, whether formally designed or informally administrated (Scott and Meyer 1994). Specialized regulatory systems are proposed as more likely as exchange processes widen to incorporate larger numbers of diverse participants, spread over time and space. The story of the ISPS Code as told in Part II shows examples of all this. Already after the Achille Lauro affair, the US strived to get a new regulatory structure in place, resulting in the Achille Lauro Circular. A criminal act caused instability, triggering processes of change aimed at creating structures to regain stability. Similarly, by taking a lead in the ISPS Code's development process and providing the working group with a set of proposals that had clear historical ties to previous security-related initiatives, the US also gained privileged influence over the end result. These processes have all contributed to the development of structures and rules that are backed by enforcement mechanisms aiming at facilitating change (as a period of transition from one structure, that has been judged insufficient from a security point of view, to another perceived to be more robust by the actor/institution heading the process) and to enhance security. These powers of change and the struggle between an old structure – the driving forces of change – and a new, "better" structure will therefore be of importance in understanding how, and why, the ISPS Code initiates action.

Mechanisms of Institutional Isomorphic Change

One distinct feature in organizational analysis that has caught the interest of institutional researchers is the apparent homogenizing force that institutions tend to exert upon organizations. It might here be reasonable to link the notion of homogenization with the ANT definition of alignment, a translation process aimed at creating a joint definition and solution of the problem at hand. However, the notion of homogenization suggests a simple unidirectional process, creating similarity as viewed from without. Alignment, on the other hand, points us in a direction

which is multi-dimensional and complex. The outcome is not obvious but produces both similarity and differences. Translation processes are best viewed from a very close perspective, with consideration given to issues of time and space, or else the processes of what makes an actor do what he does are missed (Latour 2005). In Part II, for example, we viewed the process of development of the ISPS Code. Even if it was eventually accepted and became an international code, affecting all countries and thus creating similarity, the question which the following chapter will address concerns the issue of what happens in the process of translation, as this set of regulations enters a particular local setting in Sweden. As the previous chapter illustrated, the Code was intended to have universally similar consequences around the world, but processes of translation require degrees of interpretation. The new structure envisaged required not only change but uniform change, and the question here is what happens when regulations such as the ISPS Code are interpreted and implemented in diverse local settings.

World-wide homogeneity in the interpretation and application of the Code was the intention, aiming at establishing port security as an institution. The question that then arises is what powers are at work when an institution emerges, and how these powers establish uniform behavior and similar organizational features. In institutional theory, this phenomenon has been termed Isomorphism. As a result of the concept of isomorphism, described by Hawley (1968) as a constraining process that forces one unit in a population to resemble other units that face the same set of environmental conditions (in Powell & DiMaggio 1991 p.66), Hannan and Freeman argue that isomorphism is either a result of selection processes or a result of learning and adjustment in the decision maker's responses. These two different sets of isomorphism have subsequently been labeled competitive and institutional isomorphism.

Competitive isomorphism focuses on rationality, market competition and economical fitness. Benchmarking vs. competition, having competitive product portfolios, matching organization costs, always with an eye on what your competitors are doing, creates a mentality of a school of fish. If one turns, so do the rest. Institutional isomorphism on the other hand covers the politics and ceremonial factors in organizational life, the

political power and institutional legitimacy in the social structure rather than a competitive market. In the case of the ISPS Code they are both relevant – alignment is called for and without accreditation the basis for business disappears, and in some cases it is used for maneuvering into a better market position. But due to the political nature of the processes described in this thesis, acknowledging that the implementation of the ISPS code is neither a purely market-driven exercise nor perceived as rational, as I will later show, and with an ambition to move beyond commercial relations, I will focus on the latter. To clarify, change in this case stems from institutional restraints, political power, and international regulations. Change is not triggered by the market as a result of competition; it is imposed on the organizations in question by external bodies outside the marketplace. As an effect, it will have secondary implications on market performance but without being a result of competitive maneuvering in the first place.

DiMaggio and Powell offer the most elaborated discussion on institutional isomorphic change (Powell and DiMaggio 1983) where they identify three mechanisms through which institutional change occurs; *coercive*, *mimetic* and *normative* isomorphism. The coercive (by force) isomorphism is a result of external pressure on one organization, pressure that can be either formal or informal, originating from cultural expectations or the legal environment. DiMaggio and Powell argue that this pressure is exerted by one or more organizations on another organization. One example on this pressure could be a large market-dominant, ISO-certified corporation that puts pressure on its suppliers to be certified as well, thus creating a standard in this specific market. In this respect, DiMaggio and Powell seem to be either evading the complexity of institutions as structures and mechanisms (the institution as a higher order) or simply falling into the trap of a joint definition of institutions and organizations. A third alternative interpretation would be that this pressure, this force, is the visible trace of the actual institution per se, either in transformation or in creation. Following DiMaggio and Powell; "… organizations (/…/) respond to an environment which consists of organizations responding to an environment of organizations' responses (Powell and DiMaggio 1991, p. 65)".

I would argue that the pressure triggering coercive isomorphism, or indeed triggering of any of the three isomorphic processes, does not originate in organizations as such but the shared cultural and symbolic systems, that have led the organizations to create a specific pattern of activity. The institution can be traced in the composition of the "environment" that DiMaggio and Powell refer to. It is also in the "environment" that the struggle between change and structure (the level of stability) can be found. From my perspective, the isomorphic mechanisms work towards something that can be compared with a pendulum, trying to stop it swinging from side to side. It is in its stable form, when it is not moving much at all, that we find the institution. It is still vulnerable in its nakedness versus its "environment", and when the boat is rocked and the stability and equilibrium is disturbed, there will be another process of stabilization, of institutionalization – a never ending struggle between stability and change. The notion of service in relation to this struggle has not been theorized, i.e. services as a facilitator for change or stability in the creation of institutions.

The second mechanism of isomorphic change is termed *Mimetic*. Mimetic processes are used to escape uncertainty by copying other entities' solution for a specific problem, and this is also called "modeling". The third source of isomorphic change is *normative* and is primarily related to working conditions, methods and professionalization. Formal education, professional networks and filtering of personnel are features that have a normative isomorphic impact on organizations through homogenization, establishing a shared worldview through normative socialization. As DiMaggio and Powell note, this typology is analytical and not always empirically distinct. All three processes are triggered by some kind of uncertainty, external pressure or a perceived need to align. But then, where does all this start? And what role does service play in the institutionalizing process? Is it a stabilizing factor or a change facilitator; can it be either or, depending on the ambitions of the service provider? The answer to that question, as I will argue below, has to be looked for in micro-level practices; the creation of shared systems.

Shared Systems – The Maritime Flow

The international flow of goods and people is an important factor in the ongoing processes of a global economy. Metaphorically, these service flows can be likened to the flow of blood, where the artery flow is represented by the maritime transport system and the capillary flow represents the goods and people transported by air, rail and road-bound systems. Altogether they are crucial for a functioning society. Bound together in a logistic network of physical flows, people, raw materials, components and ready-made goods, this modern heart of mankind is presumed to be an increasingly attractive target for terrorists and organized crime. And indeed, this has been manifested a number of times in the last few years, with the air attack on World Trade Centre, the train bombings in Madrid and the subway bombs in London still in mind, along with the hijacking of ships on the African east coast.

The interconnectedness of the commercial maritime flow, in terms of maritime security, is almost total. As soon as a ship enters international waters, as soon as a port is called upon by a ship that has passed through international waters, they are embraced by the internationality of the system. There are limitations in size – ships smaller than 500 tonnes are excluded – but in practice this limit is leveled out by the economic reality of operating small ships, or ports that merely handle national, coastal traffic. What enters the flow from a Swedish port can end up anywhere in the world, what is unloaded from a ship in the same port can have its origin anywhere in the world. As I have argued, what was once primarily local has been transferred into the global sphere where internal boundaries are often quite weak, but where the boundaries versus the surrounding domains are increasingly in focus. These boundaries have nothing to do with nation states, at least not on a conceptual basis, what is bounded and framed is the flow as such. The gates allowing entry into the flow are the ports, which are increasingly required to act as gatekeepers with a responsibility that extends far beyond the geography of the actual port to the entire global flow as such. Viewed from a higher perspective, the maritime flow as such is a shared system, held together with other shared systems by rules, structures and culture.

Shared Systems – Culture, Symbols and Legislations

The ISPS code was established to combat the threat of terrorism, not only via the actual legal code and the direct actions proposed but also by creating a security culture. Bearing in mind the original event and the threat rhetoric, mainly based on the terrorism issue, the very foundation of the institutional project was aimed at preventing a similar attack on the maritime flow. It was, thus, a measure that was taken with the aim of trying to create some form of collective meaning and shared values through the invocation of a specific set of symbols that were related to existing perceptions of a universal terrorist threat. By arguing for the creation of a security culture within the maritime trade, a step was taken outside the realm of the legal structure and its limitations, to put emphasis not only on the need to obey the rules but also the need to embrace the fundamental rationale of the perceived problem at hand. It can be argued that the coercive mechanisms – the legislator in this case – even tried to influence the mimetic and normative mechanisms, combining legislation and enforcement with an appeal for understanding and cooperation.

The institution emphasized in this context is thus built upon actions, obedience, and perception – an aggregate of alignments in relation to a larger scheme with a certain goal. I am not convinced that "aggregate" is the best term to describe this institution, as it implies something static and, as I have previously argued, I regard the institution as being engaged in a constant struggle between stability and change, structure and flux. Is it at all possible to talk about institutions and institutional change without taking these micro-level processes of translation, action and perception into account? Even though the sociologically oriented new institutionalism primarily focuses on cognitive, cultural, symbolic, and constructivist dimensions at a macro level (the institution as a macro actor), which is said to consist of "not possible to break down" aggregates into attributes and motives of the individual (Powell and DiMaggio 1991, p.8), there is still an acceptance of the importance of actors, action and context. However, while at least some scholars in the institutional theory field agree on the important role individual actors may play, there has been little movement in this field from the wider macro-perspectives.

I would argue that bridging this rift between the individual and the aggregate regarding motives and attributes is a key to understanding why, when, and how the macro level black boxed and a taken-for-granted institution emerges in the first place. Even if you cannot break down the aggregate, you can still study how it has been assembled. Zucker stresses that without a solid cognitive, micro-level foundation; there is a risk of treating even the process of institutionalization as a black box (Zucker 1991 in Powell & DiMaggio (eds)). Powell and DiMaggio reluctantly acknowledge this need for a micro-level perspective:

> Yet, any macrosociology rests on a microsociology, however tacit; much of the distinctiveness on neoinstitutional work follows from its implicit images (/…/) of actors motives, orientations towards action, and the contexts in which they act. (Powell and DiMaggio 1991, p.16)

Now, having questioned the rigidity of the institution, emphasizing the processes of stability and flux, and having presented a service perspective that argues that "service" is not grounded in economic exchanges but is equally applicable to largely all possible types of exchange (the Service Dominant Logic), another step has to be taken. By moving away from a macro perspective in favor of a micro perspective, and from economic exchanges to social exchange, the analytical model has to be refined by trying to understand social interaction and how the influence of the past (in S-D Logic terminology *Knowledge*) is embedded in current practices (*Skills*). The combination of a historical account of the emergence of the Code as such, institutional theory to grasp the powers of change, and actor-network theory to illuminate some of the individual actors, will provide a tool for the coming analysis. By viewing the maritime security domain as an institution in change, and focusing on micro-level transactions and translations, my objective is to be able to reveal the relationship between the legislator and the legislated: the links between the overall rationale of the regulations and the wills and aims of the port. In regarding the legislator and the knowledge and skills embedded in a legal structure (the ISPS Code), as a service provider and a service provision, these social

micro-level transactions will also be part of the formation of a service relationship.

Shared systems – Borders and boundary objects

In the previous section I argued that institutions are partially structured around legislation, culture and symbols as a shared system and that this has an effect on interaction within the system. There are other areas where actors are framed. International trade is not only structured by international regulations but also framed by borders. These borders can be legal, separating one nation-state from the next, where agents and institutions demarcate and sustain its definition, but also zones, or borderlands, where actors negotiate behavior and meaning associated with the differences which may exist between what lies on either side of the border. Borders can take various forms and shapes, expressing different meaning. The hostile expression of a barbed wire fence separating *us* from *them* speaks a different language than the garden fence that surrounds my back yard. My own front door marks the gateway to the privacy of my home, but does also welcome friends who come to visit. While the main purpose of a border has been to mark and define spaces, like that of state security and sovereignty (the very space within which the powers of the state are in control, existing to divide populations and political bodies (Donnan & Wilson 1999)), it can also be a zone in which different communities interact, marking points of difference, juncture and disjuncture. Recently, there has been a shift of interest towards viewing the bordering process rather than the border as such (Newman 2006). How, where, and why a border takes shape is tightly linked to how it is managed and maintained. Borders arise in the act of separation, inclusion or exclusion of physical objects, people, or processes. From this perspective, a border is much more than a purely static line on a map separating one nation state from another, but it *becomes* such through the management and control of gatekeepers, "…enabling legitimation, signification and domination, creating a system of order through which control can be exercised", (ibid) not unlike an institution of taken-for-granted scripts and procedures. In this capacity, borders make us act, or facilitate action in various ways.

Carried by symbols, borders creates relations, they set up tensions and thus are always culturally charged (Lamont and Molnár 2002). A border is empowered, it sorts out friends from foes, legitimate from illegitimate, mine from yours, inside from outside. Like the road bump described by Latour (1999), that forces us to slow down (or to make an unintended detour over the pavement at full speed), the border is an actant making things happen. The main feature is the sorting of inside and outside, us and them, defining communities of difference (Lamont and Molnár 2002), but sometimes merging in part by being connected by boundary objects (Star and Griesemer 1989), permitting communication between communities. Bearing this in mind, and with the intention of analyzing the powers of institutional change, micro processes, and the emergence of institutionalized borders and boundary objects in more detail, it is now time to move into the realm of the Swedish port.

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The ISPS code and the port

After having enrolled the international community, having enlisted regions and nation states, I finally reached the ports that would have to comply with the inscriptions I carry. To my surprise I was met by suspicion. I was not recognized, not understood. I was regarded as something from another world, from another time. The ports would comply, I gave them no option, but would they align with my objective?

In perspective

The purpose of the code is to aid actors within the maritime flow of goods to discover security threats and to take preventive actions to safeguard ships and port facilities used in international traffic (EU 2004). In the text of the ISPS Code, the actual threat is not clearly defined, but there is, however, no doubt as to why the Code has been developed. The overall objective was to ensure the security of the maritime flow of goods and the US and the UK delegates were the driving forces behind the development of the Code. The direct links of the Code with terrorism and events such as 9/11 and Madrid are evident, and the background documents are explicit:

> Crime and terrorism are not limited by national boundaries, nor are they focussed on any single transport mode. In order to protect the whole transport chain, it is necessary to ensure that all transport service providers operate to agreed standards. (EU 2003, p. 3)

All in all, it seems that the Code is designed to protect some parts of the world (mainly the US) from the effects of their own foreign policy. If so, then Sweden through its implementation of the Code is protecting the US from the effects of US foreign policy, and this is not a phenomenon limited only to Sweden – the same is true for the rest of the ISPS compliant world. And from the US perspective this is what it is all about, "…either you are with us, or you are with the terrorists" as President Bush put it in his address to a Joint Session of Congress 20 September 2001 (King 2005). When launching the Container Security Initiative in late 2001, designed to secure the maritime flow of containers into American ports and setting the standard for the coming ISPS code, the aim was clear;

> In post 9/11 America, the Container Security Initiative (CSI) is based on an idea that makes sense: extend our zone of security outward so that our American borders are the last line of defence, not the first. (USCustoms&BorderProtection 2004)

This illustrates the US concern of once again being the prime target for terrorist attacks, a concern that has been setting the frame for more than the ISPS Code and CSI. It also points out, explicitly, the rationale of a distributed border. By implementing rules and legislations the national border is becoming secondary to another border, where the inflow of objects is controlled and monitored. Some have emphasized the mobility of the borders of nation states and their ability to be spatially distributed as a result of negotiations and agreements (Rumford 2006). One example used in this study is the US Customs presence in the Port of Gothenburg where the establishment of a distributed border[33] is exchanged for (and indeed a prerequisite for) increased trade opportunities through direct

33 With a distributed border I mean a border that has been moved beyond a national border, a fragment of national territory situated at an entrance to a flow directed towards the nation state proper.

shipping of containers to US ports. This can be understood as a negotiated and established risk that offers new business opportunities (Garsten and Hasselström 2003).

In texts about distributed preparedness in the US, where the organizational borders between local, federal, and national powers are negotiated, the notion of *emergency federalism* is used (Collier and Lakoff 2008). Emergency federalism can be understood as an organizational framework for coordinating the activity of local, state, and federal governments, it facilitates state-governed and controlled vertical coordination and cooperation between different levels in a national hierarchy. By applying the theory of emergency federalism to international security and distributed borders, I would argue that what emerges in contexts in which national borders are established within other nation states is something we might call *emergency (or in this case security) colonialism*, understood as an institutional framework for coordinating international, national and local governance, both horizontally and vertically spanning national borders as a result of international and national hierarchies. The coordination is horizontal, covering different nations, rather than vertical within the hierarchy of one national administration. It can also be vertical – a regulation that implies action at a national level that reaches down to the individual port. This imposes an extension of what Brenner (2004) calls a state spatial form, integrating state institutions and policy regimes across geographical scales and among different locales *outside* the state territory, rather than within. What emerges here are borders in flows, some of which we have encountered for a long time but, as we have witnessed, have gained increased importance. By creating a distributed border the traditional, national border, becomes the last line of defense rather than being the first. In the case of the Swedish port and the ISPS Code, the consequences of this integration, the distribution of borders, can be traced through symbols, rituals, scripts and processes, indicating a change in the service provision. The symbols take the form of signs, fences, and identity cards; rituals are performed by checking the fences or matching numbers on lists and containers; the scripts and processes are documented in procedures and manuals.

This emergency colonialism is further strengthened in the US national security strategy where the scope is "defending the United States, the American people and our interests at home and abroad by identifying and destroying the threat before it reaches our borders". (King 2005) The border thus becomes important in new ways. The national border has to be protected against antagonists and to ensure that other mechanisms have to be put in place – new borders have to be constructed. It is also interesting to note that in academic discussion in the US (as well as in the lay press), the focus is exclusively on the inflow of goods, how to control the threat that the needs of international trade impose on the US (Murray 2003; Nurthen 2003; Quinn 2003; Harrald, Stephens et al. 2004; Sowinski 2004). The new borders created are thus unidirectional in their appearance, interest is solely concentrated on the inflow.

Another characteristic of the discussion is the focus on technical and instrumental issues (Tzannatos 2003; Harrald, Stephens et al. 2004). A conference on Waterside Security in Copenhagen 2008 featured presentations of which the vast majority were related to equipment or data models. The same venue held in November of 2010 was all about data fusion, sonar systems, and maritime surveillance systems. With a clearly defined threat, it is argued that technological solutions and systems provide support for security systems. However, less attention is given to the people in the port, social and cultural phenomena, and the perception of the people supposed to operate systems and perform assessments. And even fewer address the underlying problem, of which terrorism is the symptom. As John King puts it, "Ultimately, however, these all address the symptoms of a wider malaise, namely that there are people in the world whose disaffection propels them into terrorism. To address the causes of this disaffection is beyond the capacity of most of those who have to live with its consequences." (King 2005, p. 244) In this specific case, it is the Swedish port that has to deal with these consequences.

The Swedish Port – A terrorist playground or an Organizational space?

Designed to handle perceived threats that could originate from the flow of goods through sea ports, the Code spread throughout the world. When it came to the local, Swedish port, the regulations encountered an environment that was quite different from its origin, to the extent that concerns about terrorism were not on the Swedish agenda. For the local port, the rationale for the Code (embedded as it was in the symbolic rhetoric of a perceived terrorist threat) did not make sense, the different perspectives of the world, US vs. the Swedish, had no congruity with one another. The following two quotes come from two different Swedish Port Facility Security Officers. The ports they represent are to be found among the top 10 in the volumes handled.

> Really, this isn't a protection against a terrorist attack. It's pretty easy to break through a fence, or by using weapons as they do in other places in the world, then we don't have much to say… (PFSO 3)

> We don't have that knowledge, we don't live in that kind of culture and we know nothing about terrorism (PFSO 2)

These quotes are interesting because they reveal quite a bit about the manner in which a number of borders are visualized by different actors. Here we see the port as a specific entity versus the surrounding society; the fence as a physical object separating the inside from outside; and the invisible line separating *our* culture from *theirs*. The fence is viewed more as a symbol of delineation than as an object of protection against a gun-slinging villain with other beliefs, and a world view that differs from that of the local culture. The great distance between what is perceived as a comprehensive threat and the modeled terrorism threat makes the latter appear as something extra-terrestrial. Nevertheless, the Code itself acts as a *boundary object* (Starr 1989), linking together the different communities, and separating the greater "us" from the threatening "them", but is nonetheless questioned. It also establishes boundary objects in more than the original meaning of the term. Boundary objects serve as an interface

between different communities of practice and consist of objects, spaces, or processes that are shared by these communities but that might be viewed and used differently by each of them. These boundary objects do not only constitute links between different communities, but can also be carriers of physical borders. The most obvious example is the container, a physical entity whose contents are checked and documented, whose exterior is sealed and around which a community of practice arises as a result of rituals of control.

Even though the institutional powers of the Code applied, the ports questioned the rationale behind the regulations encountered (regarded as based on science-fiction models). They also questioned the actions that the Code initiated (easy to break through a fence), and showed clear signs of lacking a historical and cultural understanding of its composition (we know nothing about terrorism). The questioning mainly took the form of denial of the threat scenario but also implied the limited effect that the regulated activities would have when encountering a dedicated terrorist. The knowledge and skills embedded in, and transferred by, the ISPS Code were not felt to benefit the port, the actor supposed to obey and implement the Code. In short, this was a service provision not initially and unconditionally accepted. However, at the national level the need for compliance and the playing of the international political game set the agenda with full force. In essence, the ISPS Code established a "comply or die" condition, which ports had to face. If a port refused to comply with the conditions dictated by the ISPS Code (hindering unauthorized access to the ship or port facility, making sure that no weapons, ignition devices or explosives reach the ship or port facility, to list a few), then it would go out of business. No ship would call on a port that did not comply with the regulations, and in so doing bear the risk of getting an unclean record of ports visited.

This of course was motive enough to initiate the activities that the Code demanded, but to create meaning out of these activities the threat had to be re-contextualised to fit with the local setting, and the service provision had to be re-translated. Some sympathy with the American problem did exist; as one Port Security Officer explained, "…I can understand that they are afraid…(PFSO 1)" and, as a result, there was some

motivation to keep the flow through the port clean. This standpoint correlates well with one of the institutional mechanisms discussed in previous sections, appealing to emotions to complement the coercive forces in an attempt to stabilize the institution. But the implementation of the Code and its effects were also legitimated in the minds of Swedish actors in ways that do not have anything in common with the Code's original purpose. For example, one informant noted; "The Code has helped us to keep the public out of the premises, now we don't have to worry about running over people with forklift trucks…(PFSO 5)", and admitted that "The Code has reduced petty thefts…(PFSO 5)". Another recognized the fact that "The Code has helped us to create administrative tools, now the papers are in better order…(PFSO 3)" – all trying to create meaning and make ends meet but without aligning with the initial threat (or service) composition. So what has the Code done to the port? In some ways it has created a new organizational space. It has separated tasks, made procedures clearer, and segregated (or removed) bodies moving around in the port. It has redefined the port as a new kind of working space, but as a consequence has abstracted terror and made it more distant. What is recognized is that there are no more drunks to run over, not that there is an immediate threat to the port. The way borders are seen and acted upon narrows the perspective of the port; it produces a heightened sense of security, but at the same time it might be creating new vulnerabilities in the process.

The coercive features of the ISPS Code were met by opposition. However, being an empowered actant, it was not easily discharged, other types of processes had to be brought on scene. In the translation processes, which went beyond the core of the Code, meaning could be established despite opposition to the original provision. In its capacity as a boundary object the Code was successful. Even though the actors involved viewed it differently it was still shared, mainly due to its coercive features, and served as a point of mediation and negotiation. At both ends, meaning had to be established, and changes in the port had to be made in the working space and the local service processes. The Code itself was supposed to offer a solution to the problem (regardless of how "the problem" was perceived or defined) to make the changes meaning-

ful. The Code and its supporting structure clearly (or not) stated what to do to align with the demands its coercive powers put in place. At the same time as it demanded a structural practice, it tried to offer a manual to not only meet the demand as such but also how to maneuver to be a part of the envisioned security culture and to assume responsibility to those subject to "real" threat – in the US. From this perspective, the Code materializes as a service offering – knowledge and skills that can be applied by an entity to cover a specific need.

13

Introducing the Swedish Port

A Swedish port is a multitude of activities: high cranes loading or unloading, forklift trucks, containers, flags from all over the world on ship's masts. Seagulls sailing on light wings prepared to dive down on any titbit that is offered, curious parents with their children watching the docking of a ship whilst doing a Sunday walk. On another quay, someone is fishing for herring or flatfish. Here comes the stevedore from the harbor café, harsh and dirty, ready to take on the next ship. At dusk the harbor changes and a new set of people enters the stage. Prostitutes and smugglers offer their services in a dark corner; a fight between drunken sailors in the street is broken up by the harbor police, after the harbor has been transformed into something that the ordinary citizen avoids by all means. We all have a picture of the port, maybe romantic or fictive, as that one painted above, deriving from motion pictures like "The French Connection", but still not entirely unreasonable. Up until July 1, 2004 this description could, in certain aspects, have been true for a few (if not all) Swedish ports.

Traditionally, Swedish ports have been a natural part of the urban infrastructure, an integrated part of the city and thus open to the public. This was a place to take your grandchildren to look at the ships and the flags or even catch some fish from the quay. The post 1/7 2004 port is

different. The change has, in most cases, been substantial; fences with manned gates surround all ports, identity checks on all passages through the gates are performed, and CCTV cameras cover large areas of the perimeter. This change has not passed unnoticed by the public. At the time of the implementation, protests were heard and the new practices were questioned. The focus was mainly on the negative effects caused by the new regime, the public being kept out of traditional fishing sites, bird watching etc. The underlying reasons for implementation of the Code were hardly mentioned, and when they were, they were generalized and linked to the post-9/11 terrorist threat. This was especially evident in relation to smaller ports intertwined with the urban city structure. One local newspaper reported:

> Security is on the rise. The public is forbidden to visit the port of Lysekil. Security in ports with international traffic has to be enhanced due to the terrorist threat. In Lysekil the consequence will be that the public will be kept out of Grötö Rev, Gullmarskajen, and Grötökajen. The new regime will go into effect on the first of July. Anyone defying the rules will be turned away from the premises says Olle Samuelsson, Port Manager at the Port of Lysekil. Until now, the public has been able to stroll along Grötökajen and Gullmarskajen. Grötö rev is a popular fishing site, especially when it is the mackerel season. The "No fishing" signs have not been respected by all. But soon fishing and strolling along the quays will only be a memory. (Spetsmark 2009)

As the quote demonstrates, the public discourse associated with the implementation of the ISPS Code tended to focus upon what the public perceived as the negative effects (the change and the restrictions) that the Code inflicted on the local population. It also implied that the threat was directed at the port itself, the same kind of misconception that was found in all the ports – the Swedish port as the main target for terrorist actions. Furthermore, the ISPS Code itself was viewed as a threat to individual freedom and access to a specific space rather than a solution to a threat directed at the international flow of goods. In the next section I will take

a closer look at the working space of the port in pursuit of traces of the port security institution.

At the heels of the ISPS code

"Give me a call as you approach and I will make sure the people at the main gate let you in" Lars said when we had our final contact before my weeklong visit started. Lars was the Port Facility Security Officer (PFSO), and my contact person at the port. When I left for the port early on Monday morning, I called as agreed and told him I was on my way. Twenty minutes later I drove up towards the harbor, parked my car in front of the heavy, remotely maneuvered gate that effectively closed the road for unauthorized traffic and walked to the guard-post building. There I was greeted by a uniformed guard who meticulously checked my ID card and consulted his IT system. The advance notice had found its way into the system that now linked me to the PFSO, and by accepting a match between the information in the system, my id card, and my physical appearance the guard subsequently welcomed me to the port and gave me instructions as to how to find the port office. The ritual of controlling my identity was a prerequisite for determining whether I was to be allowed to pass the borderline separating the outside from the safeguarded inside. This border was emphasized, not only by the barbed wired fence, the sturdy remotely controlled gates, and CCTV cameras, but also by a physical gatekeeper in person, representing the port but in a uniform belonging to a security company. By and large, this resembled a good old national border crossing, moving from one nation to another. I did not have to produce a passport, but still a valid and acknowledged identity card. I was not leaving the country, but was instead entering a transitional zone where the flow starting at the gate continues out of the country.

This was the only time I had to leave my car and walk to the security post, later the same day I was entrusted with a small electronic "gadget" that allowed me to open the gates and enter or exit the port without involving the security guard. The small transponder in the "gadget" was programmed with a number which corresponded to a line in a database, where my name, social security number, type of car and its registration

number were recorded. Every entry, every exit from the premises could be read out from the gate log. This was something new; being able to control movements in and out of the premises was a direct effect of the ISPS Code, as was the fence and the gates. This new regime, however, met with mixed feelings. There were several categories of people coming and going on a regular basis, port employees, stevedore employees, transport companies delivering containers, Coast Guards (who had an office in the port), the agents, repair and maintenance personnel from various companies etc, etc. Suddenly everyone had to either have an advance notification at the gate, or be equipped with a transponder "gadget". Suddenly a selection process was called for, who was to be trusted with a "gadget" or not. Every enterprise located within the fence had to buy the gadgets from the port authority and, at the same time, had to provide the system with a name, number and vehicle registration number. This proved to be a bit tricky – the same driver could be using different trucks for delivering containers, the same truck could have several drivers; a stevedore with two cars in the family never knew which car he would use the next day. More information had to be fed into the system to cope with reality, but never to the extent of losing a grip on access control to the port. Nevertheless, control improved drastically. A few keystrokes could check whether my car was in the port or not. And without a "gadget" or the advance notification you could not get into the port with your car without breaking something, such as the fence or the gate. A small subsystem in the overall creation of a port security system had been established through the assemblage of a transponder gadget, a transponder reader in the gate consulting an on-line register in a database, and the physical gatekeeper in the form of the PFSO sorting out who to be entrusted with a gadget or not. My gadget and I formed a cybernetic entity that together could move around, open gates, enter and exit. It opened up parts of the borderland of the port, but within which other borders existed of which one was the last national outpost – "the ship/shore interface". My gadget and I were also an entity that could be controlled and monitored by a technological network.

However, even if I didn't have to leave the car, at every entry through the main gate, I had to wait for the gates to open. While waiting I had a great panoramic view over the entire area, to my right the huge oil

cisterns, in front of me areas for stuffing containers, stacking empty containers (or empty cans as they were called), to the left the container handling railway tracks, the area for handling steel scrap and other bulk goods, and to the far left the new semi-automatic container terminal that was being built. And then the ships… sometimes old and rusty east European bulk carriers unloading steel scrap for the big iron works not far from the port or salt for the icy roads of northern Scandinavia, sometimes more modern ships specialized in carrying huge paper rolls or containers. With a relative high frequency, the container ships came to load and unload containers with a great variety of goods coming and going. It was a vivid place, full of life and activity. But I could also see other things; the gate slowly opening in front of me, the high fence connected to the gate, the manned guard post, and the never- sleeping eyes of the CCTV cameras high up on some of the lampposts. All of these worked, if we invoke Tarde's words again, as the imitative ray (Tarde 1903) in the world after the hijacking of the Achille Lauro. They were manifestations of the idea or ambition of a more secure maritime system that subsequently had undergone repetition and translation processes, security-enhancing measures embracing the ships at call.

Even if I tried I could never beat my host to the office in the morning. No matter when I came, he was already there waiting for me. Being a PFSO was not a full-time duty. He also had quite a few other tasks to take care of, and the day usually started with checking the sea level with the nearby pilot station, going through the notifications of arrival usually e-mailed by the agents or the ships, and processing data from previous ship calls regarding the resources they had drawn upon, such as loading and unloading man hours, waste and sewage, etc, all of which functioned as the basis for invoicing. After having dealt with some of these issues, and after having had a morning coffee, it was time for a ride around the premises. Lars had his own car for this purpose. As soon as we left the office we put on bright yellow vests, mine with just the port logo, Lars´ with "SECURITY" written in capital letters on the back, indicating his status.

This morning ride around the port was mainly a way to get a grip on what was going on inside the port. There was no checklist to go through, no pre-stated things to pass by (these things were taken care of by the se-

curity company), it was merely a way to get in touch with, and get a sense of the activities occurring in the port. For me, the route seemed random, rarely the same from one morning to the next. Sometimes we had a chat with the guard at the main gate, sometimes we stopped by the agents, once and again approaching an unknown face checking the identity card to be able to determine whether the person was legitimate at the place where he was spotted, but we were always checking how the construction of the new container terminal was proceeding. But to Lars it was a way to manage matters of concern, to come to terms with different issues that had to be dealt with by being there, meeting people or viewing things. Being old in the game, having worked in the port for many years, Lars seemed to trust his gut feeling, constantly looking for anomalies (people, goods, or activities in the wrong place at the wrong time) rather than following specific procedures. As head of security, with security personnel to manage, he could let others cover the formalities and, at least during his morning rounds, be guided by his experience and feelings. This was pre ISPS Code behavior, before all the new structures and checklists were in place other means of control had to be utilized. Experience and feeling was one form of control, something that might be lost over time.

Other activities were more guided by checklists or formal procedures directly related to the ISPS Code. Once in a while, a ship called that had never visited the port before. On arrival, Lars approached the ship, asking permission to board and to see the ship's Master. The reason for this was twofold, first to forward an information package about the port, how to get escorted out if needed, how to get back in again, where facilities for the crew could be found (just outside the main gate the seamen's church had a house with some recreational facilities, something that was rarely used as the time in the port usually was too short for such activities), and how security was being maintained. Secondly, the visit aimed at producing a mutual Declaration of Security (DoS). The DoS is a form that can be found as an appendix to Part B of the ISPS Code. By the mutual signing of the DoS, both the Ship Security Officer (usually the ship's Master) and the Port Facility Security Officer certify that security measures and arrangements for both the ship and the port during the stay meet the provisions of the ISPS Code.

Such a visit was then a mix of a courtesy visit and a formal visit, mainly aimed at welcoming the ship to the port as well as showing a high level of professionalism. It was a ritual facilitated by the Code: asking permission to cross the border between the port and the ship (the ship/shore interface), mutual discussion about formalities with the Code and its documents as boundary object, two signatures stating that an agreement had been reached on the respective interpretations of the regulations and the procedures demanded. Two communities of practice became linked together, not only through mooring lines and gangways, but also by a mutual understanding.

With the arrival of the ship, this welcoming ritual, and the DoS as a boundary object, a national border materializes for the first time. A ship flying a foreign flag, its capacity to move in international waters, and the Code defining the crossing between quay and steel freeboard as the transition point in time and space of responsibility from one nation to the other establish the ship/shore interface. Another activity was related to the arrival (known in maritime terminology as a "call") of a container ship. Before such a call, a list of container identities was printed, showing all the containers to be loaded, the company they belonged to and their specific identity numbers. Each container had a number and was sealed with a specific seal that had to be broken in order to open the doors. This seal also had a number printed on it.

Before loading a container ship, a specific number of containers had to be checked, checking container identification numbers and seal numbers to see that they matched with the printed list. The container was sealed at its place of origin and, in sealing the container the transport company provided assurance that the contents matched the bill of lading. The same kind of check had been performed once before, at the container office when the container arrived, by rail or truck, at the port. Every container had to be announced and followed by a bill of lading, was checked upon arrival and placed on the quay depending on which ship it was to be loaded. This first check was then to make sure that no containers could enter the port without formal approval, the second check was to make sure that no one had tampered with the container while it was waiting in the port. Both checks were related to the functional

requirements 3 and 4 of the ISPS Code; preventing unauthorized access to the port, and preventing the introduction of unauthorized weapons, incendiary devices or explosives onto ships or in port facilities. The same kind of procedure followed the unloading of a container ship. Before being removed from the quay, after being lifted off the ship, the matching of numbers and lists took place. A container with a mismatch would not be accepted into the port. Not all containers were checked. Somewhere, someone had stated that checking a random 5% of all containers would be sufficient at a normal security level one. Due to the lack of detailed specifications in the Code as such, this statement had spread and formed the norm followed, even though no one really knew where this standard originally came from.

Here we see the manner in which another assemblage is appearing: a number of actors and actants linked together in a network of their own, in the larger port security network. Actants in the form of a data sheet with printed numbers, with the power to include or exclude, container identity numbers to be matched, seals indicating whether the container has been tampered with, and a port security officer ticking boxes while matching all these numbers. This performance was another ritual facilitated by the ISPS Code and the associated translation processes. Even if it is easy to relate the ritual to certain sections of the Code, the activities as such were limited to the instrumental matching of numbers and lists. The terrorist residing at the core of the code, the main issue in the service offering, was never present. Analytically the container can also be viewed as a mobile border with the supporting actants and rituals maintaining its status as a protected space. The container's steel enclosed space and its contents become compatible with the space on the other side of a border as a result of being checked at the origin, locked and sealed, and monitored through the entire flow, after being shipped through the flow. The container becomes a boundary object linking separate spaces and places to each other. But it also separates these spaces in its capacity to include and exclude. What may be viewed as a carrier of destruction at one end is seen as an object of administrative routines, procedures and rituals at the other – all supported by the ISPS Code.

At both ends of the flow, the practice is acknowledged, making the container a link between different social communities of practice. This is a general comment, however. In the case of shipping containers to the US additional rituals, (on top of those stipulated by the ISPS Code) have to be in place if the container is to gain compatibility as a distributed national territory. It has to be followed by a distributed border, where US officials, already at the port of origin, perform their rituals to ensure security and compatibility by x-ray scanning and using "sniffers" to detect explosives. The only port in Sweden where such a distributed US border can be found is Gothenburg where, in a secluded and fenced area in the port, the US Customs perform their security checks without any outside interference by local authorities. What they do, and how they do it, is a well-kept secret. But by housing this distributed border, the port gains access to the direct shipping of containers to the US, a competitive advantage over other ports in the region. And, for the US, the ambition of making the US national border the last line of defense is accomplished by having a distributed border as the first check. This exchange of services, allowing a US enclave within the port to benefit direct shipping to the US is, in a way, a co-production of service, even though the two actors are physically separated by a fence. The US entity performs much of the security-related aspects of the service offering relating to US traffic. The commercial importance of this mutual arrangement is vital for the port in question since it facilitates trade to a very important market. So, even if security comes at a cost, there are commercial benefits to be found for some actors.

As the ISPS Code per definition covers the ship/shore interface, an area not that easy to physically define, some thought had been given to how to make this boundary visible in the port. The access issue had been taken care of by fences, manned gates, and CCTV cameras. However, the fence covered the entire port, not the port facility per se. To be able to make the ship/shore interface visible, there was a yellow line painted on the ground some ten meters from the edge of the water along with the quays where ships usually docked. On the sea side of the line you were inside the port facility. Another border takes shape, this one more humble in appearance than the barbed wire fence, but not less important.

In a way, this yellow line marks the entry to a borderland, the overlapping space between the yellow line and the steel hull of the ship where interaction takes place, where actual transactions from the one side to the other are executed. Orchestrated by the ISPS Code, conducted through processes described in documents and performed by rituals of approved actors, the two sides meet to exchange. In this borderland, between the yellow line and the steel hull of the ship, the rituals associated with the loading and unloading take place. Goods to be loaded are lined up just outside this bounded space, and are brought inside by forklift trucks. If it is a container; the identity of the container and the seal number are checked against the loading documents by representatives of both the port and the ship before being lifted out of the borderland and onboard the ship, thus finalizing the ritual of exchange. Goods are transferred out of the country into the care of the ship and its flag.

Other types of goods have similar rituals in which bar-codes take the place of container identity numbers and seals. The yellow line is thus a demarcation showing where the port ends; a gateway to the no-man's-land targeted by the ISPS Code and termed the ship-shore interface, where the explicit exchange between ship and port takes place – the other end of this no-man's-land being the tiny gap between the quay and the steel hull of the ship. In this capacity, it carries all of the force of the Code as the final destination of the entire flow that the Code aims to protect.

Another effect the ISPS Code concerns the segregation and classification of bodies and their mobility. Not everyone allowed into the port has access to the port facility (the ship/shore interface, or no-man's-land between the yellow line and the hull of the ship). However, everyone moving around in the port is required to wear a port ID badge, visible at all times. Within the port, there are a series of different badges with different colors. Each badge gives its wearer access to specific areas of the port and trajectories through it. Wearing a blue badge gave you permission to enter the port, but not to enter the port facility; a white badge shows that you are allowed to be found inside the yellow line, thus entitling the wearer to gain direct proximity to the ship, but not actual access. A red badge gave you the status of a security officer with some extended mandate, such as performing ID checks. Just like passports, these badges allow bodies in the

port to pass certain predetermined borders. As a consequence of fencing the port and creating this buffer zone on the quay, the black market trade in tax-free goods that frequently occurred in the pre-ISPS Code port has more or less vanished as the market place and the potential customers were separated from the ship. This was perhaps not the stated and immediate reason for the implementation of these badge rituals. But the badges were the symbolic equivalents of an electric dog fence.

As a result of the stronger shocks that the dog receives from its collar as it approaches the property line from which it is not allowed to stray, the dog learns the borders to its territory and the space in which it is allowed to move. The badges may not give their wearers electric shocks, but they do not have to. They symbolically communicate to everyone within the port where the limits of their wearer's geographical boundaries are located. They make deviant bodies immediately visible in a way that they had not been prior to the implementation of this aspect of the ISPS Code. They segregate the dispersal of different types of bodies and their mobile trajectories by accentuating the panoptic potential of the port community. Unlike electric dog collars, the borders of the port had to be learned at a symbolic level (you had to learn where the limits of any badge were placed), but by marking the status of all the bodies in the port, they made it possible for unintentional (as well as intentional) border trespassers to be identified and corrected.

These are all tales from the port, tales that in many cases connect day-to day practices with the ISPS Code. These tales also show how new mediators take shape to enable the port security network to handle certain issues, such as the "gadget" allowing you to enter the port with your car, or the yellow line with the power to distinguish whether you are an intruder in the port facility. All these emerging actants and borders are direct consequences of a service provision with coercive powers, the ISPS Code, and are subsequently part of a network of networks. It is, however, noteworthy that there is a gap between the Code, the actants (badges, containers, lists, and yellow lines), and the activities (checking of badges, the rituals along the yellow line, the production of the DoS). The terrorist threat as a phenomenon disappears in translation in favor of the unintended benefit of other motivating factors (including diminished

crime, and the reduced risk of running over pedestrians with fork lifts) and rituals (such as the matching of lists and container numbers). This transformation can be seen only by looking at the service from a social relations and exchange viewpoint.

The port, a network of networks

The port is where goods are handled, a hub, as one informant calls it, and are transferred between different modes of transportation such as trucks, boats, and the rail system. Larger European ports also handle considerable volumes from boat to boat, where goods from smaller feeder boats are reloaded for trans-Atlantic trade or vice versa. Usually, even if there are exceptions, the Swedish port and its infrastructure is owned by the local municipality or a conglomerate of various actors, of which the local municipality is one.[34] As a result, the direct influence from the state is somewhat limited and has to take the form of guidelines and/or regulations. Stevedoring companies are sometimes integrated in the port organization, even though they are often privately owned and a separate entity in the port conglomerate. Brokers tie together producers of the transported goods with shipping companies and act as a link between the owner of the goods, the ship, and the shipping company. In many cases, the brokers also take care of paperwork related to Customs procedures, etc. In the port you will also find representatives of haulage contractors loading and unloading cargo. All these actors are also recipients of the Code's transformative powers (services).

Different parts of the port handle different types of goods. The container port is separated from the liquid bulk (oil) port, the dry bulk part of the port is separated from the other two, and they all apply their own specific infrastructure in their daily operations. In effect, each part of the port is a network in itself, and as a result a sea port can be understood as a structure of networks in networks. In this capacity, every participant relies on its own equipment for its operations, a feature that Charles Perrow (Perrow 1984) has termed tight couplings. The tighter the couplings the

34 The sea ports thus differ from airports which are in many cases owned by the state.

more severe the consequences when a component in the network fails. The container port is dependent on its cranes; if one fails the entire network is affected. The liquid bulk port similarly depends on its pipelines and pumps; if they fail so does the port as a system.

But the port in its entirety, the network of networks, does not have the features of a tightly coupled system. As every participant, broadly speaking, lives its own life with its own resources and infrastructure, a failure in one sub-system or part will not necessarily mean that the entire port comes to a standstill. The problem will usually be contained within the sub-system affected (Harrald, Stephens et al. 2004). However, there are recourses and parts of the infrastructure that link the different parts of the port together, such as information and communications technology (ICT) systems, roads, and key personnel that add to the vulnerability of the port. The effectiveness of the port is based on a commercial platform where the focus for security issues has historically been on protecting the goods from damage and theft with no, or limited, concern about terrorism and other antagonistic threats. Establishing a system to cope with terrorism has brought about rather large, systematic, changes in the actual structure of management of the port (ibid).

Where does the border between the port and the surrounding society lie? The port of Gothenburg is a good example of a large port and its geographical features. The main part of the port is situated at the mouth of the Älvsborgs fjord, but scattered along the shores of Göta älv (the river that runs through Gothenburg) you find several port enclaves like Ryahamnen, Majnabbehamnen, Stigbergskajen, Masthuggskajen, Packhuskajen, and Frihamnen, stretched out over a distance of several kilometers. All in all, the port of Gothenburg consists of nine port facilities where interaction between ship and shore actually takes place.

Outside the port facility, you usually find marshalling areas, cisterns, warehouses, and areas for rail-bound loading and unloading. Here you will also find service enterprises like container repair, ship service, and other support functions needed to sustain the process of which the port is part. The very same structure of the large port can also be found in smaller ports – the same kind of actors, infrastructure, and characteristics. The only real difference is in the extent and size of operations.

All in all, the port looks, smells, and sounds like a major industrial site. People and forklifts blend together, heavy containers, huge paper rolls, steel scrap, pipes and cisterns; wherever you look there is activity. The port has the same kind of complexity as many factories, with a large variety of internal processes. There is, however, only limited, if any, amelioration. Nothing tangible is produced. The core of the enterprise is handling: loading, unloading, packing, pumping, storing, and the like, on behalf of customers. If there was such a thing as a service *industry*, this would be it. This is where a unidirectional perspective on service could be argued for. At the core, the commercial heart of the port, business is being done. Service is being offered, competition between different ports is fierce, customer relations are crucial for the economic fitness of the port as a revenue-creating entity. Many of the foundational principles of S-D Logic might be considered. The service performed by an oil pump, pumping oil from a tanker to a cistern, can be seen as a service provision masked by the complexity of the service system. By utilizing the facilities of the port, by accepting its service, the customer co-creates value, a value determined by him and no one else. The more prone to adapt to market conditions you are as a result of knowledge and skills, the better your position on the market will be. Service as a social relationship based on social exchange has, on the other hand, proved to have different characteristics. By applying an ANT account, we have seen a multidirectional relationship in which issues of time, space, and feedback loops gain in importance, and where opposition and acceptance reside side by side when translation processes obscure the initial service provision. The ISPS Code itself is an assemblage with its own agency, with its own history, and with its own enrolled and aligned supporters. The ritual of writing a declaration of security is a mutual re-negotiation and recognition of the rules of the game; the comparison of a computer print-out with the actual containers lined up for loading is the result of translation of certain sections of the Code and a negotiated behavior acknowledged by the port inspectors. However, in order to be able to fully understand these multidirectional relations, we need to get somewhat closer to the rest of the actors.

PART IV

The Network of Actors

14

Defining the Actors – Is there a Port Security Network?

At my first visit to the port, after having checked in with the security guard, thus crossing a border as previously described, a thought went through my mind before I shifted the car into gear, "So this is what is supposed to be protected".

The threat that makes us act

But what is it that the ISPS Code really is protecting, and from whom? What does the "environment", that Powell and DiMaggio (1991, p. 65) argued as being at the core of institutional change, consist of? What are the characteristics of the threat, and who is actually threatened? Rephrased with a service perspective, what need does the ISPS Code (looked at as a service provision) aim to fulfill? These are all questions that will initially bring us somewhat closer to a macro perspective, but that are also important for the mapping of actors since it provides the foundations for the first actor – the Code itself. However, the most important question is how the ISPS Code, as an actant, setting all kinds of people (and their objects) in motion and what becomes the result of this process.

As previously mentioned, the terrorist attacks on 9/11 2001 and the subsequent actions taken by the US and Great Britain within the framework of the International Maritime Organization demonstrate explicit links to the international terrorism threat. With this background in mind, the US engagement in safeguarding trade on the oceans of the world comes naturally, and the ISPS Code was not the first step in this direction. In late 2001, for example, the Container Security Initiative (CSI) was launched. This initiative regarded container traffic as the prime threat within the maritime supply chain, and therefore the number of ports allowed to ship containers directly to US ports was limited to only twenty ports, worldwide. These 20 ports went through a certification process, after which the US Customs established their own customs offices in these ports. One of these ports was the port of Gothenburg, where American customs officials are still operating. The CSI is built upon four components, to identify high-risk containers, to control them before they arrive in the US, to use state-of-the-art technology for controls, and to develop smart, secure containers. The need that the ISPS Code service provision is to fulfill then seems to be decreasing the risk of a terrorist attack, or the consequences of other types of organized crimes. Having noted this, another question arises; who is protecting whom from what, and where?

Turning to the European Parliament's motivation to implement the ISPS Code, doesn't add light to the interpretation of the threat. Free movement of goods is a fundamental concept in the European Union, but here it is accepted that movement is limited to the maritime flow of goods. Even if Europe is regarded as an open, borderless market, the definition in the ISPS Code of what is regarded as international has a preferential right of interpretation. It is therefore reasonable to assume that there is a subordinate purpose in the ISPS Code that exceeds the fundamental rights of free movement, namely the threat of terrorism. The very first point in the regulation applying the ISPS Code in the European Union places an emphasis on this very question:

> Intentional unlawful acts and especially terrorism are among the greatest threats to the ideals of democracy and freedom and to the

> values of peace, which are the very essence of the European Union. (EU 2004, p. 1)

The definition of an ”intentional unlawful act” adds as little guidance to the understanding of the threat as the purpose of the Code itself. Examples of intentional unlawful acts are presented as terrorist attacks, piracy, or other similar acts taking into consideration the risks for the citizens of the Union as well as the environment. By motivating the Code in terms of the ideals of democracy rather than as a threat against capitalism, the EU creates a gap in comparison with the international rhetoric, where the consequences of an attack are argued to be a disruption of world trade, threatening the global economic system. While recalling that the presumed major target of terrorist activities, the US, is also a world economic engine, the reference to democracy seems to be more of a demagogic twist, appealing to a deeper morality.

Moving down to a Swedish perspective, and once again moving closer to our actors, another picture appears. The threat of antagonistic acts against Swedish ports is analyzed by the National Police Board, supported by the National Security Service, the Swedish Maritime Administration, and the Swedish Coast Guard. The Swedish Customs make their own threat assessments for various flows of goods, in cooperation with ports participating in what was formerly called the Service Stair and the specific security-related StairSec, which will be discussed later in this study. Furthermore, every port conducts a threat assessment when developing the Port Security Assessment and Port Security Plan (PFSO 3). And, finally, the Swedish Emergency Management Administration compiles an annual threat and risk report. All these assessments and reports have one thing in common, they all come to the conclusion that even if the threat is not to be neglected, the threat to the Swedish infrastructure in general, and more specifically to Swedish ports, is extremely low today.

> According to the judgement of the Swedish Security Police it is hard to see that Sweden today is a prime target for international terrorist networks. /…/ It is the conclusion of the Swedish Emergency Management Administration that extreme groups today are unable to threaten the safety of society and emergency preparedness in such a

> way that it is an issue for the crisis emergency management system. (Krisberedskapsmyndigheten 2005)

If this represents the national perspective on security, then the perceived threat on the local scene is understandably also low. However, these national perceptions are secondary to the internationally defined need for a more secure maritime flow and the threat scenarios declared by the international community. Having defined the need, the international community also offers a solution, a mandatory international code.

The ISPS Code, another part of The Network!

Previously we have looked at the development process of the Code. Here I intend to take a somewhat closer look at the contents of and the demands made by the Code. As previously mentioned, the Code has been developed to help maritime entities, in this case ports, to detect security threats and be a preventive tool in security terms. The Code is in two parts, where the first part (A) deals with the mandatory sections and the second part contains, among other things, guidelines for implementation, training, assessments, etc. Selected sections in part B have been made compulsory by the European Union as a result of Regulation (EC) No 725/2004.

In order to achieve the goals of the code, entities covered by the Regulation are obliged to meet seven functional requirements;

1. Gathering and assessing information with respect to security threats and exchanging such information with appropriate Contracting Governments;
2. requiring the maintenance of communication protocols for ships and port facilities;
3. preventing unauthorised access to ships, port facilities and their restricted areas;
4. preventing the introduction of unauthorised weapons, incendiary devises or explosives to ships or port facilities;

5. providing means for raising the alarm in reaction to security threats or security incidents;
6. requiring the development and implementation of ship and port facility security plans based upon security assessments; and
7. requiring training, drills and exercises to ensure familiarity with security plans and procedures.

These functional requirements mirror the lowest level of actions to be taken and cover both ships and port facilities. The focus is on structure. More specifically, they focuses on the development of an organization that analyzes and plans its security process and is trained to act within the plans, as well as at the practical (often guided by technological) level of applications to prevent unauthorized goods or persons from entering the port or ship in question. In this context, I would like to emphasize the consequences of the functional requirements in the port, as these requirements represent what the port is obliged to implement. The port-specific rules start with Section 14 of the ISPS Code by providing instructions as to actions of the port at the different security levels. The security level is set by the contracting government in the nation state within which the port is located. Level one reflects the minimum-required security activities at which normal controls within the functional requirements are to be maintained. These controls cover duties such as ensuring the implementation of normal security activities such as controlling access to the port facility, monitoring the port facility and restricted areas, supervizing the handling of cargo and ships stores and ensuring that security communication is readily available. At level two, additional protective measures are to be implemented on addition to normal controls, in accordance with the security plan during a limited but specified period of time. Level three is the highest security level, in which additional protective measures are to be implemented in accordance with the security plan, and the port is to be prepared to respond to security instructions from the contracting government.

Section 15 contains the instructions regarding port facility security assessment. This assessment is the platform on which the security plan is subsequently based. The purpose of the assessment is to identify key

assets and infrastructure, to identify and quantify possible threats so as to be able to prioritize security measures, and to identify weaknesses in the infrastructure, policies, and procedures (including human factors).

The security plan is essentially an operative document that covers the interaction between the port and the ships at call and is, in accordance with the security assessment, to be developed for every port facility. It covers issues of a more administrative nature, such as auditing, reporting and protection of the plan as such, as well as actions to prevent weapons, dangerous substances or devices intended for use against persons, ships or ports from entering the port facility or ships at call. Furthermore, it covers plans to ensure that unauthorized personnel cannot gain access to the facility or to ships. The security assessments and the security plans are the central documents through which the contracting government controls the port security system in place, and ultimately acknowledges it.

Mobilizing a local spokesperson

As the ISPS Code was introduced into the Swedish regulatory system, and as the Swedish Nation State became increasingly entangled in the extension of the maritime security Actor-Network, there was not only a need, but also an explicit requirement, for a local representative and facilitator of the Code. The Swedish Maritime Administration (SMA) became responsible for reviewing all the security assessments and the security plans for the more than 300 port facilities in Sweden, constituting what Callon (1986b) referred to as an obligatory point of passage vital for the further expansion of the network, but also to ensure no unauthorized exits from the network due to non-compliance. Obligatory points of passage are interesting as they are critical network funnels, often designed by the primary actor to ensure that communications must pass through his or her domain. That is, as a result of the obligatory passage point, the actor becomes functionally indispensable to the network. The funneling properties of the Code and the SMA-employed port inspector initiate bordering processes, define and delimit proper actions from improper, and separate correct procedures from those regarded as incorrect -in this case compliance with the ISPS Code. The establishment of an obligatory

point of passage involves the establishment of borders. As a result of the indisputable power of the port inspector and the power to acknowledge (or not) the proposed port security assessment and plan, the inspector constitutes a critical node that must be passed before becoming part of the maritime flow.

The obligatory points of passage were represented by four port inspectors, of whom two were employed on a temporary basis. When the initial review process was completed, and all ports had received their acknowledgement, the number of port inspectors was reduced to two. The actual implementation process was quite instrumental. The ports made their own security assessments and their own security plans, in some cases based on an example distributed via the Association of Swedish Ports, and in some cases with the help of consultants. This practice was not entirely problem-free. The ports drew new actors into the network, who brought with them their own interpretations of the Code. In some instances, these interpretations differed from the conceptions of the acting obligatory point of passage, the Maritime Administration and its inspectors, and this created tensions between the port and the inspector. This was mainly where ports leaned heavily on the example template issued by the Association of Swedish Ports, of which the Maritime Administration did not approve. A detailed template did not, in the eyes of the Administration, take into account the vast differences between individual ports, and was therefore not considered to be of any use. In other cases, the solutions became more complex than the Code required.

The documents were reviewed by the Maritime Agency and finally verified on site by the port inspector. Due to the initial workload, the number of on-site revisions was minimal. If everything seemed to be in order, only one inspection was performed during the process. The rest was pure paperwork in which port inspectors commented upon security assessments and security plans which were sent to them and, in some cases, questioned solutions. Nevertheless, in most cases the ports felt overrun by the port inspectors, mainly because of a large difference in perspective. The port inspector, who represented the national authority, adopted the official rationale of the Code, the original service provision based on the terrorist threat, and came into conflict with the local

interpretations maintained by port authorities which were themselves interpretations that were based on a local context, thus representing the retranslated service provision based on social and cultural exchanges. The discrepancy in the perspectives of these various actors created tensions, as the following voices from the field witness:

> We sat a whole day, and night, with this man and finally more or less decided… we have to do exactly what he says, we don't have a choice because he has made up his mind that we have to do what he says. And so it was… (PFSO 2)

> And we sat here and discussed things, and we changed the plans according to how the inspector wanted it. That was how we got our certificate here… (PFSO 4)

Most of these tensions were solved by the ports stepping back for practical and strategic reasons, but the basis for constructive cooperation was not laid. With the workload of the port inspectors in mind, the port realized that the number of future inspections would be low. Given current resources, the interaction and cooperation between the port and the port inspector were of a limited nature and the audits were few and far between. As a result, the mission valence (which, as we discussed in Chapter 1, is fundamental for a high reliability organization) tended to remain low, since the main reason for complying was to satisfy the authorities.

The Maritime Administration exercises its supervision through the Port Inspector. The Port Inspector is responsible for auditing and approving security assessments, security plans and security-enhancing activities, making revisions and un-announced visits, as well as making sure that the ports live up to their undertakings. The fact that only 2-4 Port Inspectors have been responsible for the more than 300 port facilities in Sweden posed a problem in 2004 when all the port facilities were inspected. As a consequence, the ports experienced substantial differences in the level of requirements imposed upon them depending upon which inspector that happened to be designated to them. There was a feeling amongst the ports that different inspectors gave the Code different interpretations. The perceived unrestricted power and preferential right of interpretation

of the Port Inspector led to a great deal of frustration for the ports. The possibilities of discussing and adapting the manner in which the Code was to be implemented in the local setting were considered to be limited. Progress was aggravated by the fact that the workload on the inspectors prevented them from visiting ports sufficiently often.

As a result, communications between the Maritime Administration and the individual port were often implemented by sending documents and comments back and forth between the two parties. One port official reported that they only met their assigned inspector once, something that the port regarded as an advantage (PFSO 5). This relationship between the port and the authorities was troublesome. From the perspective of the port, the inspector is an opponent – the less he or she is involved, the better. The inspector was seen as inflexible and stringent, guided by the letter of the Code, with a totalitarian view of his/her own preferential right of interpretation. Cooperation and collaboration seemed to be unknown concepts. To understand this tension, you have to reflect a little on the traditional role of the Maritime Administration. The Maritime Administration had been a natural representative at the IMO in catering for Swedish interests in the maritime domain. Furthermore, the Administration had been responsible for sea mapping and sea charts, messages to the shipping industry, ice-breaking operations, fair lanes, and pilotage. The Maritime Administration was also responsible for search and rescue missions and, via its ship inspectors, was encharged with the responsibilities that were encumbent upon a contracting government as a result of various rules and regulations covering maritime issues. But with the implementation of the ISPS Code in sea ports, the Maritime Administration entered a new arena of activity, for the first time operating on land. Traditionally, there had been no, or very limited, operational connections between port operations and the Maritime Administration, but now a supervisory function was added to the portfolio of the Administration's tasks.

The four port inspectors who initially approved the port security systems in accordance with the ISPS Code had varied backgrounds – one was a policeman, one had a background in the Swedish Coast Guard, one was an ex-military person, and one had a background in the stevedoring

domain. They all had sound experience from their respective fields, but probably with varying perspectives on port security and the regulations as such. However, even if this is a natural consequence of the fact that the port security domain and the ISPS Code are new, different cultures clashed and, from the ports' perspective, this created tensions when there were differences in the interpretation of the Code from one inspector to the next. Problematic processes of translation and negotiation began, with the ISPS Code as a boundary object, linking two different worlds. However, since it was a compulsory regulation, the inevitable result was a sense of total alignment, at least in action, if not in belief. In comparison with the more traditional tasks of ship inspectors, who all share the same kind of background coming from the shipping industry exclusively as ship masters or master mariners, the port inspectors came from different background which the ports felt affected their manner of working and interpreting the Code. For the ship inspectors, the only difference when introducing the ISPS Code was a new set of rules added to all others, and a new aspect of ship security and equipment. For the port and the port inspectors, everything was a novelty.

The Port – Enrolled but not aligned

The responsibility of compliance with the demands of the Code thus lies with the individual port or ship. The ISPS Code does not provide any specific directives as to how these demands are to be fulfilled but leaves that to the contracting governments concerned. The Swedish Maritime Administration, acting as the supervisory authority for Swedish ships and ports, had not released any complementary instructions that left it to the port, based on a local condition of fulfilling the demands of the Code. One of my respondents, a Port Facility Security Officer in a port I studied, describes the situation in the following terms:

> But here it was… here the authorities made it easy for themselves by giving the responsibility to the Maritime Administration and they took an even easier route by delegating responsibility to the ports. That we in a way should build a system to fight terrorism, it was a

> hell of a responsibility that they put on the ports if you think about it. (PFSO 2)

The regulations were met by the ports with mixed feelings. Some interviewees spoke of the advantages of regulations that motivated fencing in the port, not from a security point of view but rather from a safety and working environment perspective. The fact that ports traditionally were open to the public was perceived as a problem and that the risk of accidents where bystanders were injured considerable. Another positive aspect of the regulations, as previously noted, was the call for administrative systems and procedures, something that was felt to be needed. But apart from this, there was frustration and a feeling of being alone fighting international terrorism, badly equipped and with no allies other than other ports who were also struggling to meet the demands of the ISPS Code, and the Association of Swedish Ports. In cooperating with other ports, and the Association of Swedish Ports, searching for solutions and best practice is a good example of mimetic isomorphism. In order to be able to handle the uncertainty triggered by the Code, the ports formed discussion groups, even though they were basically competitors on the market.

What also followed from this frustration, as many of the respondents reported, is an aversion towards the Code, its purposes and background, as well as the actions that had to be taken to fulfill its demands. They furthermore questioned their ability to meet the demands of the Code due to such factors such as their own level of competence and the cultural context they worked in. What here appears is a picture of a legal code that is not fully accepted, that costs a great deal of money to implement and maintain, with a purpose that is not fully clear, and where the prime motivating factor is being threatened to lose all traffic due to failure to approve it.

Even if the criticism was loud and the ability to embrace the Code limited there was some understanding of the underlying reasons for the Code, empathy with the US and their attempts to minimize the risk of threats through the maritime transport chain. But, once again, the two different perspectives that arose out of this context, the Swedish "out"

focus and the "in" focus that dominates the US debate, confronted each other on a more operative level. From the port perspective, the task of keeping the flow of goods moving out of the port clean was accepted, as was the task of performing controls and keeping unauthorized personnel away from goods or ships. But when it came to protecting the port's infrastructure or the surrounding society, the acceptance was less obvious. It is interesting to note that PSFO 2, when giving his view on what was to be protected, mentions the ship but not society. He also regarded an attack on Swedish sea ports as "pure science fiction". A threat directed at Swedish society is not mentioned at all, and thus seems to be regarded as an even more unlikely scenario. It is realized that there is a risk that the flow of goods might be contaminated, but that the final destination for any antagonistic threat is the US and not Sweden. The quote thus mirrors the translation process where the initial service offering, the Code as such, undergoes a transformation based on a social and cultural understanding of the local environment.

Already in March 2003, the Maritime Administration realized the importance of communicating with the ports, to make them realize the necessity of the new set of rules, especially from a commercial perspective (Sjöfartsinpektionen 2002). However, the Maritime Administration seems to have underestimated the ability of the ports to adopt responsibility for the Code, based on coercive isomorphism, but more important on the basis of what were to become the primary motivating factors. The commercial aspect became the first priority, with some reluctance, together with an appreciation of world politics. The risk of not being approved by the government, and thus being cut off from all trade, could not be ignored. But as long as the explicit, official purpose of the code was felt to be unfounded or utopian, the practice became mechanical or objectified. However, the Swedish port is not alone in providing security for the port and the flow. There are other actors with whom the port cooperates that can be of assistance, apart from the Maritime Administration and the Association of Swedish Ports, namely the Swedish Customs and the Police. And these actors have also had varying roles in facilitating implementation of the ISPS Code. One of the actors that played a rather significant role was in fact the Swedish Customs authority.

Enrolling the Swedish Customs or enlisted by the Customs network?

It has to be clearly stated that the Swedish Customs has no defined official role regarding port security or the ISPS Code. The Customs authority has no visible operative cooperation with the Maritime Agency or its port inspectors. The Customs have nevertheless come to play an important role on the port security scene due to its national framework for enhanced security stipulated in "StairSec". StairSec[35] was a part of the Swedish Customs quality assurance tool and addressed to supply-chain security issues related to the certification of the physical flow of goods as well as the supporting systems, such as documentation and IT security. The reason for certifying these processes were to ensure that the procedures carried out were aligned with the requirements of the Swedish Customs. From a port point of view, a certified process became trusted and thus suffered less from interference that was gaining administrative speed. US systems, such as C-TPAT (the US Customs-Trade Partnership against Terrorism), resembles the ambition of StairSec. Both Swedish Customs officials and the Swedish Maritime Agency officials agree that a StairSec certified port covers about 70% of what the ISPS Code demands. The StairSec certification process was a six-month, joint operation where a team from Swedish Customs worked together with the port, going through a battery of topics and questions, establishing processes and procedures, looking for weaknesses and their solutions.

Over these six months, there were about ten one-day workshops with representatives from the port and from the Swedish Customs. Here the port found a partner, highly competent in matters concerning the movement of goods and the possible crimes associated with their movement. These crimes are known and more easily accepted than the more diffuse notion of international terrorism. However, the difference between the two is not always that great, as one Customs official explained to me, "What you do to prevent terrorism, it's the same things you do to prevent

35 Stairway security – StairSec – was a part of what was called the Service Stairway where companies could certify parts of their processes related to the customs at different levels.

all kinds of smuggling!" (Customs Official 2) The only cost for the port is the time and effort needed to pull it through this particular certification process. This brought things down to a practical level and was free of choice (and cost). Many ports applied for a StairSec certificate because they found Swedish Customs could play an important role as a second actor and tool for enhancing port security, but with no connections at all with the main actor, the Swedish Maritime Agency.

> But there were a lot of synergies between StairSec and ISPS. We chose early to join the Customs StairSec system, and it fitted in fine with order and keeping control of the goods, etc. (PFSO 3)

> Well, yes, then we have a certified security system when it comes to the transportation of the goods, according to the definitions they have, and it is acknowledged, certified, and it becomes even stronger. It is a system that is easier to follow because it is a system that applies for everybody. Today there are so many different… that you have to be in control of, different systems regarding transports. But with this, we get a system where we can cooperate with Customs, get help from Customs, where we tap into the competence of Customs, and we get the help needed. That is better; they have the knowledge about it. (PFSO 2)

As is apparent in the quotes above, cooperation was perceived to be based on a win-win philosophy: the port got access to the expertise of Customs to deal with the ISPS demands and certification led to easier handling of Customs' clearance. For the Customs, every certified actor in the supply chain increases the possibility of focusing on non-certified flows of goods, a reflection of a flexible view of security and risk assessment. This independent actor has only one link on the operative level – the link to the port. With no responsibilities in relation to the ISPS Code, the Customs permit themselves to adopt a rather skeptical attitude towards the structure of supervision surrounding the port and the manner in which the Swedish Maritime Administration has sought to control implementation of the Code.

> They have solved it as a traditional "compliance and control" authority, while we have left that phase. (Customs 2)

Swedish Customs, through StairSec, sought cooperation and coordination via relationships based on mutual benefit. When reflecting on how the enforcement and control mechanisms of the ISPS Code had been designed, they perceived it to be an outdated way forward. There are other signs that indicate the difference between the subjective views of Customs with regard to the factual, objectified set of rules that the ISPS Code represents.

> According to the ISPS Code 5% of all goods have to be checked. 5% we feel is an unreasonable amount. If the risk was that high, we would be standing in every port ourselves. (Customs 2)

This statement indicates distrust of the Code and its application, and questions the risk assessment once made by its authors. When the Customs official, as an answer to a direct question of whether the Customs authority could assume responsibility of supervision for compliance, the informant defends the relative modest part the Customs play.

> The organization and the resources we have wouldn't have been enough to do this in a proper manner. (Customs 2)

> We don't think that the organization we have would have been suitable to handle the ports in a way that, I from our side… could go out and look at them and give them the support they need to do a good job. (Customs 2)

These quotes also point to a critical view of efforts to handle security in Swedish ports. At the same time, the Swedish Customs stresses the importance of the ports as partners in fighting smuggling and problems in separating general smuggling and the type of activities that parts of the ISPS Code focus on.

> If you look at it from a smuggling point of view, the ports are important partners: they support and help us. Almost all goods that

> enter Sweden, except from Norway, come in through a port. If you stand all day in this flow you make observations and if we can get something out of this, it is only positive. (Customs 2)

Even if Customs play a modest role with regard to the ISPS Code there is a great deal in the above statements that indicate that Customs could contribute institutionalized knowledge about the handling of risk in relation to flows of goods. It also indicates that the Customs themselves could gain from a greater involvement in the networks surrounding the ports through enhanced cooperation with the ports as such. This has also been asked for by the ports. It furthermore highlights the absence of a national border within the port. Whether the port is a border crossing or not is not easily answered, as the national border within the European Union has lost its importance even though the sea port differs from other border crossings. Even the respondents are unsure of how to define a commercial port where there is no passenger traffic. This also explains why the Customs' focus entirely on flows in their rhetoric: the flows are not dependent on the national border as such but constitute a potential threat in their own capacity.

One might argue that the ports have tried to enroll Customs to the port security network without success, mainly due to organizational boundaries and the dedicated responsibility allotted to the Swedish Maritime Administration. However, by enlisting the Customs' own network and accepting the tools and procedures offered, the port has strengthen its abilities to comply with the demands of the ISPS Code. The result is two different networks that overlaps and merge with the port as the central figure. On the one hand, the port security network that takes its departure in the ISPS Code and, on the other, the Customs network aimed at making Customs control more efficient in targeting high risk flows of goods. The port, as part of both networks, subsequently links them together by engaging in service relations in both. In other words, the significance of the Customs is transformed by the Code, the Customs becomes a boundary object, and intermediates in the relationship between the port and the monitoring agency. The imitative ray of the regulations

finds support in the detour of enrolling into the Customs network and joining the StairSec processes.

Enrolling the Police?

The Police are the next actor identified by the ports. The part played by the police is just as opaque as the Customs and what is mentioned by the ports is largely responsibility for the overall threat assessment, and to some extent for training. Even if the Police are high on the list of important actors involved in port security, their involvement is perceived as limited.

> But I have to say that they haven't been that involved. We have reported to them and we have said to them that if they want to have authorization to enter our ISPS area for some reason they have to come here to get it. But no one has shown any interest, no one has come here to get one… (PFSO 4)

> And their support has been nonexistent, it is a law, and the Police can't even answer the simplest question even though they are some kind of actor in this… (PFSO 3)

The Police are thus not perceived as having a clearly defined role. Every port has to establish the contacts it thinks it needs to solve its problems.

> The local police districts have no instructions, the regional police master has still not received any instructions from the National Police Board, even if they have appointed some kind of handling officer. But this can't be accepted, so I have turned to the local police and asked for help and said that we have to… I know you have no instructions but we have to sort out some local issues because otherwise there will be severe problems. (PFSO 3)

> And then we have asked for help to solve, if we should run into unauthorized persons… that you might think were terrorists – or at least unauthorized – within the port who do not voluntarily leave on request, then we want them to come with the big guns and come

> fast. This they now have promised, we are a prioritized company for the local police. (PFSO 3)

An interview with the regional police master's office confirms that the role of the Police is not specified more than to provide training, and that the instructions for this training were still on the desk of the National Police Board at the time of the interview. Apart from this, port security is just one of the many tasks that fit within the ordinary, daily scope of normal police work. The main task seems to be handling traffic situations arising from an increase in security level from level one to two or three, due to congestion stemming from increased security checks at the gates, and to take care of situation where unauthorized persons are found within the port (something that has been initiated by individual ports). In view of the fact that the Police are the only actor within whose jurisdiction illegal immigration or migration falls, it is remarkable that their role is not more clearly specified. The Police are, in short, an actor that is identified by the port but which fails to recognize its own role in relation to the other actors on the scene.[36] The service provided by the Police is recognized by the ports as inadequate; implementation of the ISPS Code has not initiated the change in the relationship that the port anticipated.

Having defined some of the most important actors[37], and the relations between them, the picture is becoming clearer. The actors are there, the roles they are playing seem still unclear (none the least for themselves) and it can be argued that the leading role is taken by an actor with no formal responsibility for the security of the ports, the Swedish Customs. The next question to answer is whether these actors can form something that resembles a security network, and to do that we need to take a closer look at some of the network theories.

36 The same is true of the Coast Guard, who has an official role in the ISPS, delegated from the Maritime Administration, but whose role is related to the off shore, ship part of the ISPS code. When it comes to ports there are no defined tasks.

37 There are of course many more actors in the network, such as security companies, suppliers of fences and gates etc. Those here presented are the actors defined by the ports as being important in the formation of the port security network.

The Network

As the discussion above illustrates, the links between important actors in and around the port and the association and negotiation processes they are involved in are weak or, as in the case of the Police, more or less non-existent. The port itself is enrolled, complies, but is not aligned with the program as such. The local perception and context sets the agenda in the day-to-day operations. Even if the actors are there, it seems as if the network is not working the way that was originally intended by those initiating the change process. Why is this? That remains unclear; the actors seem to be comfortable with the current situation even though there are both synergies and strengths to be achieved by stronger links. The port is muddling through, playing the cards given and using them for its own purposes. In the background lies the local (in this case the ports') interpretation of the threat. Even if the official standpoint complies with the initial motives for the Code, the authorities seems to be downplaying the importance of port security, leaving behind a facade of compliance while not investing in all the potential efforts available to create a strong security network around the port. This indicates that, behind the scenes, even the authorities have their locally constituted interpretation of the potential threat, something that probably would be officially denied. It could be argued that the limited resources put in place (remembering, as discussed in Chapter 1, that sufficient financial resources are an important factor in establishing a High Reliability Organization) and the compliance control functionality of the system chosen, based on less than a handful port inspectors, indicates that the mission valence on a national level is low.

There is, however, no doubt that the consequences of a "9/11" attack on maritime trade would be as catastrophic as the original event and, in world economic terms, even worse. Unfortunately, not everyone working with security issues in Swedish ports is aware of the connection this has with the reality that they are dealing with, mainly due to the inabilities of the actors to use the potential strength of a security network, but also as a consequence of the local Swedish context which differs significantly from the post-9/11 context in the US for example.

What effect does this attitude have on the actual risk for the port, or the risk of being used as an entrance point for transiting an antagonistic threat through the maritime transportation system? Not being able to effectively muster efforts to safeguard maritime transportation is definitely a weakness if viewed from the perspective that initiated development of the Code. It could also be a sufficient adaptation to the local prerequisites and a logical construction of rationality, creating meaning for actions to be taken. Rules and regulations are not as rigid and static as you might think, they do change as a result of social and cultural reinterpretation. The significance attached to the original triggering event changes as you move in time and space. What is left is to construct local reasons available to create meaning, whatever they are. Another approach is to question the globalization of rules and regulations to suit one actor in the global arena.

The port, the Maritime Administration, the Port Inspector, Police, and Customs are all actors in various ways related to a network created by the demands of the ISPS Code. The image of this network that emerges through the interviews conducted shows that all actors accept that one of their tasks is to participate in the task of increasing security in the activities taking place in the ports. At the same time, the image suggests that the network actors have different interests and are motivated by different factors, something that creates an inner dynamic whose processes need to be more deeply understood. These are dynamics that affect the process of translation as the Code moves from the abstract realm of the international to the local realities of everyday life in the port.

When the port meets the ISPS Code, a process of change is initiated, different interests are placed in the same melting pot. How this change affects the actors is highly dependent on their initial goals and interests. A new rationale that in varying degree differs from the original (Callon 1991; Latour 1999) arises from this transformation or process of translation, defined as a process to achieve a mutual definition of an issue. When the ISPS code is introduced to the port there is a change in the very essence of the port; it is no longer just a service industry with the main objective of creating added value for its customers and owners, but also a guardian to protect itself, its customers, ships at call, and col-

leagues in other countries against intentional unlawful acts, organized crime or terrorism. This translation occurs more or less voluntarily, with some ports focusing on (with minimal effort) satisfying the port inspector to comply with regulations that are perceived to make no sense. The actions taken are focused on contributing to other different but related problems. The service provision of the ISPS Code is re-translated to fit a different need. Other ports see the transformation process as an opportunity to adapt to changing market conditions, where security- enhancing measures are perceived as a competitive advantage.

The stability of networks, and their durability, depends on how well the translations work (Callon 1991). The process of change that is initiated by the ISPS Code creates instability in certain parts of the network. We have seen examples of how the port criticizes the Maritime Administration and the performance of the port inspector, the effect being a desire to minimize their relationship with these actors. At the same time, the ties to other actors within the network, as for example the relationship between the port and the Customs, where the port sees an opportunity to use the Customs as a resource to gain the competence needed to meet the demands of the Code. Other actors defined as important for the emerging network, as the Police, are absent or play a very marginal role even though their participation is asked for. The result of the dynamics of the network is that the ports feel left out, uncertain of how the ISPS Code is to be construed and what it is that they are expected to actually do (by the others in the network).

In an attempt to redefine Actor-Network Theory, Bruno Latour says "…actors know what they do and we have to learn from them not only what they do, but how and why they do it." (Latour 1999, p. 19). The ports oppose the port inspector, question the engagement of the Police, and look for closer cooperation with the Customs. These are all consequences of the service provision of the ISPS Code, and to understand them we need to look into the social processes these consequences rest upon. Such a move can answer questions like why the situation has developed like this, what consequences it will produce from a security point of view, how the rest of the network acts, and what role such a network

could play if the connections were tight and a joint definition of the task at hand was in place. This is the topic of the next section.

Security in a Network

Several studies of social networks have been carried out. One, combining networks with High Reliability Organizations is the High Reliability Network theory, as suggested by Schulman, Roe et al. (2004) in a Californian power-supply network study. This study analyzes the reliability of the Californian power-supply network, defining the different actors and their role in the network. The result of this study is that the High Reliability Organizations theory is applicable to networks as well, mainly due to one central independent actor that balances load and generation in real time. There are similarities between this study and the one discussed in this thesis. The object of study is a group of actors in both cases. There is a difference in the typology of the threat. In the power supply case, we have a real time process (where production is online with the consumption), with relatively known threats (demand, supply, and distribution channels).

The maritime supply chain is more diversified, both in time and space. There are more possible points of entry and the lead-time is long. Furthermore, in the port security case the structure of the threat is different. It is mainly unknown, the source, form, means and the underlying causes can vary and the threat can appear anywhere and at any time in the system. The original threat composition seems to be distorted by local interpretation and translation, and the perception of it varies between the different actors. The greatest difference is, however, the defined role of the independent actor mediating between supply and demand, and responsible for acting upon fluctuations and disturbances in the flow through the system. In the Swedish port security network, this role could have been played by the Maritime Administration but, by falling back to a control and enforcement function, the Administration loses the opportunity to mediate more directly between the actors in the network.

Analyzing the attempt to form a port security network from a security culture point of view provides a fragmented array of connections, af-

filiations and enrolments. It is primarily focused on meeting the Code's standards rather than the reasons for the Code. There are no signs of either a common identity or shared beliefs. The heterogeneity of the network paired with a low mission valence points us in the direction of a weak security culture. As the network stabilizes, this might change, but there is also a risk that the culture may deteriorate over time.

A few reflections on services in social relations

The discussion above shows a local process to redefine the service provision of the ISPS Code, as well as a process to create meaning in what the coercive forces of the legal structure demand. To a certain degree, this is achieved by retranslating the motivational factors, focusing on issues other than terrorism and organized crime. However, even if the knowledge and skills of the legislator, embedded in the Code, are as strong as it appears, the benefits for the receiving party are in question. We have to consider whether the entity to which the knowledge and skills are applied – the port in question – and the entity that actually benefits from the application of these operand resources is even the same entity. With a linear S-D Logic, the entire theory has to be based on a clearly defined structure. But the fact that Customs is a service provider, providing a service that has now suddenly become relevant (a service it has struggled to provide for some time), but that has become relevant not due to the nature of its service offering, but due to the translational ability of the port to use that service for other purposes than the Customs actually intends it for is far from linear. From the perspective of the local Swedish port, the picture is not simple or arranged. As regards the original offering of the Code, created by a series of social service exchanges, translations, and renegotiations, over time, the ANT account (taking into consideration the historical factors) gives some indication that national interest has had a coercive impact and thus that the benefit is to be found with those who have had the power to define the risk. These findings are supported by examples, like the Achille Lauro hijackers, as important for the forthcoming ISPS Code, and the following Achille Lauro Circular becomes a durable inscription whose actantship became important in the nation-

alistically biased translational processes of the development of the ISPS Code. It can be argued that S-D Logic ignores this circulation of social exchange relationships. S-D Logic does take into account a horizontal chain of relations masking a service-for-service exchange. These relations have an economic basis; they are based on mediating entities, mainly money and goods, which facilitate a commercial and unidirectional exchange. By bringing in social exchanges of services and social relations, there is found to be a complex array of multidirectional exchanges and multidimensional relations, and a process of constant change of what these exchanges involve. This fundamental issue becomes problematic when we try to analyze social exchanges in the form of legal structures by applying S-D Logic.

PART V

Service Beyond the Commercial

15

Regulations are service

Adopting the definition of service as the application of knowledge and skills for the benefit of another party (Vargo and Lusch 2008), we have seen how the ISPS Code transfers belief (Tarde 1899; Tarde 1903), matters of concern (Callon 2007), knowledge, skills, and a vast amount of historical accounts into the maritime domain. Even if it might have been considered somewhat provocative to say that regulations are service, still, with this perspective the Code does qualify as a service. It would be more complicated to apply other service definitions that are discussed. Using the definition based on non-ownership (Lovelock and Gummesson 2004), stating that service is something you cannot own, could then lead to a discussion of whether the ownership of concern, the problem at hand, is then qualifying for the notion of goods; it is an intangible ownership of a highly tangible and defined problem or responsibility. This definition therefore runs the risk of still being stuck in the old divide of physical characteristics and in the service/goods dichotomy. Other service definitions offered, for example based on value creation, become troublesome in all social exchanges where there are no monetary transactions, where value relates more to meaning than cash adding a complexity with dimensions hard to follow from the perspective of economic offerings. In the following section, I will elaborate on the idea of services as an

application of knowledge and skills in the port setting and the resultant consequences.

A multidirectional service relationship

Looking at the Code as a service involving the dispersal and invocation of knowledge and skills, there is a second, responding, service activity triggered by the practice of the port. The Code initiates a certain activity in the port, an activity that is evaluated and reported back to the system through mediators, the links between the Code and practice.

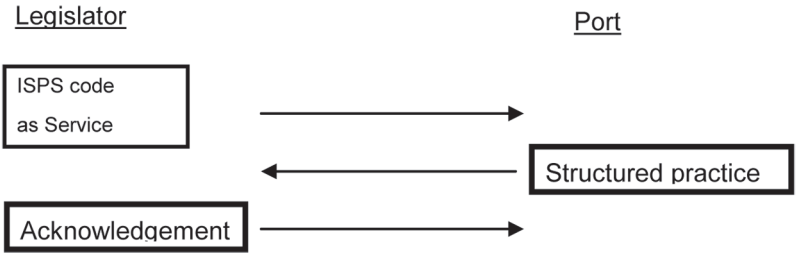

Figure 9: Multidirectional flows

The Code supplies knowledge and skills but also requires a structured practice. It is a structured practice, with national variations as well as local variations. Different port inspectors with their own backgrounds and ideas about what should be done, indicate that the structure is locally negotiated and individually constructed. In our case, the mediators are the Swedish Maritime Administration and the port inspectors, ensuring that the ports act in certain ways in accordance with the Code. The structured practice mirrors not only the seven functional requirements, in which the port is obliged to gather, assess, and exchange information, prevent unauthorized access to ships and port facilities and prevent the introduction of unauthorized weapons, etc, but also the requirement to keep port security assessments and plans updated. So far, it looks fairly unidirectional, a service for a service relationship. By viewing the regula-

tions as a service provided, the structured practice, in accordance with the requirements, may be likened to payment for the service in question. Furthermore, by viewing the structured practice as a service, then the acknowledgement by the port inspector, ensuring the role of the port as an economic operator, can similarly be considered as a "payment" for the practice provided. With a perspective of a service offering, this is an exchange of service for service, just as the basis for S-D Logic suggests, grounded in the philosophy of barter trade as discussed in Part I.

But this second-wave service, providing a structured practice, is just the second in a continuous flow of actions directly or indirectly initiated by the regulations studied. We have previously seen the relationship created between the port and Customs, the role of an assessment template by the Association of Swedish Ports, how neighboring ports have supported each other, etc. These are all processes triggered by the ISPS Code, aiming not only at providing acceptable practice but also to create meaning. If the practice is up to standard, it is followed by an acknowledgement by the regulations' spokesperson, the port inspector. Other, sometimes more sublime, service relations are attached to the network, both commercial and non-commercial[38], ranging from security companies manning gates and patrolling the perimeters to the local association of birdwatchers granted permission to access a certain spot to view the nesting of a rare member of the *Laridae*[39] family.

This kind of complex interaction with regard to social exchanges is not always obvious. The revenue from granting bird watchers access to

38 I could also add "human as well as non-human" as there are many artifacts supporting the network in various ways, such as the gate and the perimeter fence as such, the IT system keeping track of authorization to be in the port, CCTV camera systems and many, many more.

39 More commonly known as Sea gulls. The example is taken from a real life anecdote told during an interview with a Port Inspector. The port in question approached the Port Inspector with what was perceived as a big problem. A group of ornithologists, all older gentlemen, had a hut in the port from which they monitored the hatching of a specific species of sea gull. The port thus needed guidance on how to handle these gentlemen in general and more specifically when there were ships at call. The Port Inspector however had a very flexible stance on the problem. As long as the ornithologists were known and/or could identify themselves their presence in the port posted no problem from an ISPS point of view, ship in port or not.

otherwise closed premises is harder to grasp, suggesting that this duality is not something to be taken for granted in social exchanges, or that you have to go very deep into the hearts and minds of the actors to find the essence of value and benefit.

The goods/service dichotomy was invented, developed, and maintained mainly by commercial interests for increased marketing accuracy. The definition of service is thus tailored for this specific purpose, and as Lovelock and Gummesson argue mainly communicated through (Service) marketing textbooks (Lovelock and Gummesson 2004). The analytical depth of the term consequently suffers when applying a more elaborated and complex perspective to services, especially when moving out of commercial, economically- driven exchanges into the non-commercial, social sphere. Nonetheless, Vargo and Lusch have argued that S-D Logic is a "…*pre theoretical mind-set.* (Vargo and Lusch 2008)" that can bridge the divide between the commercial and the social, and this will be the prime focus of the next chapter.

16

S-D Logic, Social Exchange, and the Port

After describing a complex case in which social and commercial exchanges are tightly bound together into a complex network of actors, where both mutual and diverging interests play important roles and where the ISPS Code is a dominant actant, I will now return to the foundational principles of the Service-Dominant Logic mind-set that has generated most questions in relation to the issue of social exchanges. My ambition here is to point to some of the ways in which S-DL helps us to understand services in contemporary society, but also to point to some issues it has left underdeveloped, and which I believe call for greater attention in future service studies. Once again, Actor Network Theory plays a crucial role as the refractory lens through which I view this meeting of the ISPS Code, the Swedish harbor, and the surrounding Swedish context in which the ports I have studied exist.

Service is the fundamental basis of exchange

Starting with the very first foundational principle and with the definition of service as *the application of knowledge and skills*, also called "operant re-

sources"; viewing the ISPS Code as an assemblage of knowledge applied for the benefit of another party, the first foundational principle seems reasonable. As I have argued, there is a series of exchanges in relationships between the port and the legislative body and its mediators, all offering some kind of application of knowledge and skills, either as a code, a practice, or an acknowledgement. Applying a wider perspective of social exchange as service complicates matters. If exchanges of knowledge and skills are service, then most of the daily activities of people and artifacts are to be regarded as service; the sharing of knitting hints and tips whilst having coffee after Sunday mass, the street corner gossip of a group of teenagers, reading a book, using a Kleenex on a snotty kid, stopping your car at the STOP sign – service could be regarded as the basis of exchange and everything would be service, also in a non-commercial setting.

In view of this all-encompassing definition of service, the term "exchange" loses its importance and meaning. Service *is* exchange – if there is no exchange there is no application of knowledge and skills. Without knowledge or skills nothing would, or could, be exchanged. Service becomes fluid, mobile, with no given start, no given end. As Latour notes on actor-networks "… any given interaction seems to *overflow* with elements which are already in the situation coming from some other *time*, some other *place*, and generated by some other *agency*.", and like the Tardean imitative ray, originally a single idea that spreads through acceptance and get linked to other ideas, the operant resources are assemblages, translations, sequences of transformations involving both human and non-human agency. Operant resources in the perspective of S-D Logic are the product of someone's or something's efforts, viewed within a given timeframe and circumstances, at a frozen moment of attention. What is left is a product, a result, an intersection, an output of a process which we look at within a given frame of time and space. As the analysis of this thesis shows, there is no clear-cut linear or unidirectional exchange to be found. Different knowledge and skills blend and take new shapes. Some are opposed, like the US proposal for defined security measures, and some are being transformed, like the rationale of the Swedish port differing from the original intentions of the legislator. Issues of time and space become highly relevant. The Palestinian Liberation Front, as a result of its ac-

tions of in the Mediterranean Sea in 1985 and subsequently the Achille Lauro Circular, are important actors in the formatting of current Swedish port security. Exchange, or the *application* of knowledge and skills, is something multidimensional and thus requires tools and theories that embrace such complexity if they are to be understood. Having sorted out the relationship between service and exchange, the second foundational principle of S-D Logic needs to be revised. If it is the case that all services are exchanges, and the question of starting points and mythical linear processes is highly problematic, then there is a need to accept the consequences of these insights and apply them to the second foundational principle.

Indirect exchange masks the fundamental basis of exchange

Is there a fundamental basis of exchange? From what perspective would such a basis exist? Employing an Actor-Network analysis to the realm of social exchanges helps to illuminate the degree to which services are multidimensional processes which have no start and no end – merely a web of relationships, interactions, and translations. By definition, service is a complex net of exchange relations where every connection except the one that is the focus of our attention is indirect. Indirect exchange *is* then the fundamental basis of exchange, without which there would be nothing. This is something that S-D Logic is unable to capture with its linear perspective. Looking at the ISPS Code without appreciating that the knowledge and skills embedded have an origin would be analytically unfruitful in trying to understand its power. But the masked characteristics of previous relations could indeed be masked. Looking back at the empirical basis for this thesis, we have noted that the knowledge and skills assembled in the ISPS Code were masked to a degree where the underlying rationale became opaque and (intentionally?) blurred. And, in addition, it stretched at least back to 1985, thus pointing to the importance of time and space. A phenomenon, as a structure, contains so much more than what is visible from without. Without unmasking its interior,

its history of past and present, the tiny strings of attachment that assemble the network of which it consists, we will not be able to understand what it does, either to us or to others. Consequently, S-D Logic seems to be a tool that is too blunt to grasp the complexity of relationships in a social setting. However, for managerial purposes, for practical "how to do" textbooks, such an assumption might be relevant, assuming a narrow company perspective, a commercial setting where the only interesting exchange is represented by a *moment of truth*[40] (Normann 1990) – the face-to-face interaction between the supplier and the customer. However, if we lift our focus to a perspective that includes more than the service organization and its customers, we run into problems.

Goods are distribution mechanisms for the provision of services

From being a straightforward linear relation, we enter a complex web of interrelations and feedback loops, where time and space are bridged by actants and mediators. Here we touch on foundational principle number three that acknowledge the agency of things, that a tangible good can convey knowledge, skills, and intention and thus bridge a time/space gap between two entities. The similarities with ANT are striking, the agency of things is its hallmark but also its most criticized feature (Amsterdamska 1990).

This discussion also turns our attention to something that might be important in both social and commercial exchanges. As customers and individuals in general, are increasingly able to collect information on their own, the importance of a transparent chain of exchange cannot be ignored. Today, people increasingly want to be able to trace the origin of beef down to the individual farm, the working conditions of the construction worker and the Curriculum Vitae of the lawyer appointed to

40 Based on the assumption that most service relations are direct face to face interaction, the moment of truth is when the representatives of the supplier and the customer perform the service act. This narrow view on service has rendered many scholars to turn to looking at the service encounter as staged, leaning on analogies of dramaturgy inspired by, for example, Ervin Goffman.

help with legal matters, or the basis on which political decisions are taken. Helping the receiving party in the current link in the chain to make as much as possible of the entire chain transparent, rather than accepting its masked properties, becomes a vital aspect in the relay of knowledge and skills, empowering an ability to make informed decisions (Prahalad and Ramaswamy 2004). This line of thought originates from a market perspective, aimed at analyzing the processes of co-creation where the focus is on "… consumer-company interaction as the locus of value creation (ibid p.10)". However, this point us to a direction of the transparency of previous links, where the chain of relations is useful to understand more than from an analytical point of view.

The problem of translation and gaining traction

The fourth principle of S-D Logic, that operant resources are the fundamental sources of competitive advantage, is firmly rooted in the traditional marketing/business line of thought, based on the concept of a supplier, a customer and a market. Stretching it into the realm of social exchange, as Vargo and Lusch argue we should, requires another approach, however, as well as a different terminology. That knowledge and skills are important factors in business, factors that may, or even should, be used in a competitive environment is here left unchallenged. But for an idea, invention, or belief to be attached a continuous process of negotiation, qualification, and re-qualification are required. The phenomenon that Tarde labeled hesitation (Tarde 1903) describes what it is all about. When being presented with divergent explanations or solutions, there is a moment of hesitation and evaluation, before the decision on which *imitative ray* will conquer one's mind. Managing this process is in itself an activity based on knowledge and skills, a different set of operant resources, and usually separated from the idea or invention it caters for, and usually not the one put on the market.

Returning to the ISPS Code with its inherent operant resources, knowledge and skills originating from various sources, translated and transformed through negotiation within the development process, it becomes obvious that it is not only its contents that matter, but also how it

is presented, packaged and perceived by the ports. It competes with the hesitation and ability to gain implementation and get attached, to enroll and align. It is in the fluidity where it is decided whether it will be accepted, adopted, and applied. The coercive isomorphic feature of a legal structure aids the ISPS Code in this quest. This occurs in the same way that knitting hints and tips (knowledge and skills offered) stand and fall with the reception and perception of the receiver. Similarly, the operant resources (the knowledge embedded in the ISPS Code) gain relevance as they are transformed by the port to suit the local scene and perceptions, and are subsequently negotiated with the spokesperson of the network, the port inspector. Via the process, the skills needed to understand the ISPS Code and it's embedded knowledge, come to fruition, and to a very large extent they do this through the ritualized practices discussed in Part IV. Imitation occurs, both in the sense of the imitative ray, as argued by Tarde (related to the ANT notion of attachment/enrolment) and, as we have seen, through mimetic isomorphism. Neighboring ports cooperate; circulating entities such as manuals, examples, best practices, and templates exist wherever you look. Understandings of the Code's implications and the competencies required to "implement" the Code emanate out of this circulatory flow of interaction.

In unidirectional exchange, as suggested by S-D Logic, it might be a competitive advantage to have "the best" set of operant resources, the best knowledge and skills, the best offering. However, in multidirectional relations of networks, other dynamics arise as more important: dynamics that may be rendered visible in an ANT account. With regard to social exchange and networks, the competitive advantage is determined by the strength of your position in the network. The more connections you have, and the stronger the ties, the more the influence you can infuse into the network. The ISPS Code has enrolled all the important actors; from the international community, giving it a legal status, through the acceptance and enrolment of regional and national administrations, down to the individual port that has limited alternatives, other than to align. Based on this study, it seems that the fundamental source of competitive advantage is found in the strength of the enrolled network, in relation

to competing ideas and their networks. [41] As we have seen, the operant resources were available in more or less the same guise once before, in the Achille Lauro Circular. These, without the power of the network, did not achieve the necessary traction.

On value, meaning and sense – foundational principles 6-10

S-D Logic terms such as *customer* and *value* has proved difficult to apply to social exchanges. The port does not regard itself to be either a supplier or a customer in relation to the Code, the Maritime Administration, or any other actor within the proposed port security network that does not either invoice the port, or is invoiced by the port. The notion of customer suggests an economic relationship. The notion of value is equally troublesome, firmly linked to increased wealth or an enhanced possibility to create wealth. Having said that, it is still possible to elaborate on the principle as such – changing customer to *receiver*, supplier to *transmitter* and value to *meaning*. With this construction, the international legislative body transmits its idea, beliefs, knowledge and skills through a network of actors. In every instance, there is a moment of hesitation, evaluation, creation of meaning. Where the creation of meaning fails, where the opposition prevails, the transmission ends; where meaning materializes the transmission continues to spread through negotiation and attachment, and so does the network. Eventually, the Code reaches the port and the local meaning-creation process starts.

Even though the ambitions of the transmitter (no matter if we link it here to the US, the international maritime community, the Code as such, or any other assemblage of actors) and the local construction of meaning differ in many of the cases studied, it may be argued that what is transmitted still adds some kind of meaning to the system. The original ambition gets distorted by the process, the ports dismiss the terrorism

41 The attentive reader now realizes that foundational principle five, " All economies are service economies", is missing. In a way this very principle is represented by the other nine, so the aggregated discussion of them becomes the position taken in relation to principle five. I hope to make this clear in the final discussion at the end of Part V.

threat but acknowledge the use of the Code to solve other problems, but nevertheless, the practice still meets the Code's requirements. Whether the receiver co-creates meaning is debatable in the above case – there is inevitably such a great gap between initial, transmitted meaning and final, translated meaning so that it is hard to accept the co-creation philosophy defined as something representing both parties' interests and intentions. There are no doubt linkages between the original transmitter and the local meaning established, but there is no joint definition of its core. I cannot deny that the local meaning is a reflection of the ISPS Code and its inherent ambitions, but it is a warped, translated, reflection; and therefore maybe represents a warped, translated co-creation process. This conclusion correlates with foundational principle number seven: that value cannot be delivered, the enterprise can only offer value propositions. How these offers are treated, evaluated and applied depends on how strong they are in the subsequent negotiation processes.

If the basis of service is exchange, then a service-centered view is also exchange oriented and relational, as a consequence of foundational principle number eight. It is, however, important to note that "a view" equals a certain perspective, it originates out of someone's eyes. In S-D Logic, the owner of the "view" is always the service provider, thus making the unidirectional perspective on service even more obvious. However, in principle nine, the unidirectional market dualism has to make way for a drastic shift of perspective, stating that all social and economic actors are resource integrators. Suddenly, it becomes much easier to relate S-D L to the study at hand, the sharing of knowledge and skills with the Code acting as some kind of boundary object linking different networks together. Integrating resources requires exchange, and exchanges are fundamental for service.

The 10th foundational principle of S-D Logic, states that "Value is always uniquely and phenomenologically determined by the beneficiary", is also somewhat problematic. I would argue that value, or meaning, is produced relationally in a network, via translation processes. After an actor, economic or social, has accepted attachment, sharing knowledge and skills, and thus has tapped into a new set of competencies, the actor is integrated in a network where these newly acquired resources are used

to create meaning and utility, accepted by both the network as such and the actor himself.

In the case of regulations where there is no opt-out opportunity and where the consequences of not enrolling are too severe, but where the initial meaning is not shared, another more adaptable meaning will be created, corresponding to other requirements than those which were originally anticipated by the legislative body. In the ISPS case, the Swedish ports detach themselves from the terrorist threat that that constitutes the core and the initial meaning of the Code. The translated meaning embraces other rationales, more relevant to the local site, such as reduced thefts, better administrative routines and a possibility to compete on more important markets. It has thus no bearing on the heart of the Code but is tailored to meet a locally perceived need and also practices demanded by the Code. From the supplier's point of view, or rather from the legislator's point of view, the initial ambition of solving a security issue seems to be met; the port has been enrolled into the port security network. However, the quality of the service relationship has to be questioned, since local skepticism and the cultural context have a direct influence on the port's performance.[42] As I have shown, the cultural and historical contexts need to be understood in order to understand the relationship between structural legislation and the service translations of processes .

42 I'm however not implying that the quality of the security in a Swedish port is low, that question has not been within this study.

17

Service in social exchanges

The objective of this thesis is to develop a broader understanding of services that takes accounts the fact that most service do not occur in a "free market" or social vacuum, but under conditions of regulation. The question here is how we can understand the prerequisites of regulation as part of the service context. The primary question to be answered is whether contemporary research on services, with a focus on Service-Dominant Logic, can expand beyond the traditional service scope by including regulations and legislative bodies in the actual service process, using the ISPS Code as an empirical application. This chapter synthesizes the major findings of the analysis above.

An all-encompassing foundation

When adopting the S-D L service definition, as the application of knowledge and skills to the benefit of another party, the service field becomes much wider than with traditional service definitions[43] or alternative new

43 Such as the definition of service as something that goods are not, see the IHIP discussion in Part I, chapter 2.

ones[44]. It encompasses every kind of interaction, every exchange, all knowledge, everything with an inherited knowledge. It includes all kind of actors – everything with the ability to act upon another entity, everything with an agency. Therefore it also includes regulations and legislative bodies, as well as signposts, road bumps, Kleenex tissues, CV´s and, by all means, PhD students in their role as operant resources, hopefully embedded with knowledge and skills.

The terminology of S-D Logic is fundamentally chosen to suit an audience with a bearing on marketing as a practice within a traditional service setting. The foundational principles therefore fall into the trap of framing service within organizational boundaries, where service is something that is defined within a customer – client exchange. How can we understand service from a different perspective? I have here tried to view services from a perspective that may include the commercial setting, but also transcend it. I have tried to move beyond the supplier customer nexus that limits our understanding of what service is. From this perspective, I have challenged the primary presupposition of S-D Logic.

I have argued that the S-D Logic discussion about indirect exchange is somewhat problematical. There might be previous relations, attachments and negotiations and knowledge and skills applied, but nonetheless a service is being performed. It is however quite discriminating to downgrade these factors to a lower order, something that masks the "real thing". I have argued that indirect exchange *is* the fundamental exchange, as it is a precondition for possibility of exchanges in the first place. I have also argued that the principle claiming that operant resources are the fundamental sources of competitive advantage represents a static, linear view of knowledge and skills, and have criticized the idea that competition is something carried out between organizational entities rather than between ideas. What materializes is the sum of all the previous struggles, translations, and negotiations. Following the notion of the imitative ray, how an idea overcomes opposition and becomes attached to other ideas strengthening each other, enrolling actors along the way, the competitive advantage originates from the strength of the network enrolled.

44 Here we find the perspective of service as value co-creation, or that transfer of ownership is not possible.

The problem of framing services in terms of S-D Logic is that it is limited by a traditional service perspective and commercial thinking. Exchanges are assumed to be based on unidirectional offerings rather than multidirectional and complex relationships. The problem is that our understanding of services, if we resolutely align ourselves with S-D Logic is that we remain constrained by a complex heritage, something that becomes evident in the terminology used. The notions of supplier, customer, value and competition, are not appropriate outside a commercial setting. To be able to analyze whether S-D Logic may be adapted to social exchanges, I have here used terms such as transmitter, receiver, meaning, and for competition one might use the notion of hesitation that Tarde (Tarde 1903) launched at the beginning of the last century and the strength of the network of enrolled actors. However, changing the vocabulary also changes the theoretical mind-set as such, adding another dimension, removing organizational boundaries and adding the importance of time and space. What S-D Logic is unable to see is made visible when applying ANT terminology, and the analysis becomes both wider and deeper, at least in the case analyzed in this thesis.

The second question was how these regulations are transformed through the service process, how they act upon the entities that are bound by their texts. We have witnessed several processes of transformation, for example the process of the Achille Lauro Circular that was transformed into the ISPS Code, with new competencies and strength; one service proposition was exchanged for another. We have furthermore seen the transformation of the regulations to suit the local environment in which they are to act, and how the service proposition has been translated to fit what is locally considered to be of value. In other words, by being compulsory, opposition to the regulations as a phenomenon is not a feasible option. Instead the port transforms the rationale of the code into something locally comprehensible and useful, be it to create a better administrative structure, reduce petty thefts, or contribute to a better position on the market. In this instance, it loses the practical connection with its own origin – fighting a perceived terrorist threat. Actions are initiated but for the "wrong" reason. There is no full, unconditional enrolment of the port. This is unfortunate; studies on safety culture have

shown the importance of a high mission valence and a motivated organization (Frederickson and LaPorte 2002). The port security culture lacks this important criterion.

The act of fulfilling the obligations stipulated by the Code becomes instrumental and the co-creation part of the service, S-D Logic, loses its logic. The transformation of the service proposition distances the Code from the initial supplier, the legislator, to an extent where co-creation is replaced by pure creation; in this specific case by locally situated meaning. Even though the legislator and the Code have a competitive advantage in relation to the opposition of the port as regards embracing the core of the provision, there is no unconditional surrender by the port. These are all processes rendered visible by the ANT account applied.

Service beyond dichotomies – some suggestions

As we have seen it is easy to get padlocked into the goods/service dichotomy, into a discussion about commercial vs. social exchanges, and about the roles of actors and artifacts. The Service-Dominant Logic mind-set provides an attempt to address these issues. However, to become a "sociology of service", society as a result of service exchange (Lusch and Vargo 2006), it nonetheless lacks a complete set of definitions and tools to address the complexity it tries to embrace. When moving away from the territory of marketing managers, that marketing theory goes some way to support, a new analytical arena opens up. I would therefore like to suggest broadening the use of S-D Logic by applying some of the terminology of Actor-Network Theory. What I have tried to do is to show how an ANT discussion can shed light on processes for which S-D Logic lacks a language for a description, or where the descriptions becomes too focused on commercial relations.

Bearing in mind the limitations of ANT as discussed in Part I, which is criticized for giving artifacts agency, human status, or at least what can be viewed as human features (See for example Amsterdamska 1990, Whittle and Spicer 2008, Elam 1999), using an ANT approach to the study of services in social exchanges has not only rendered the processes more visible but has also illuminated the benefits of an ANT-inspired

terminology in service studies. This terminology embraces issues of time and space, goes beyond dichotomies and is equally applicable to economic exchanges and social exchanges, on service as well as goods, humans as well as artifacts. With its focus on what is between the nodes, on agency rather than agents, on becoming rather than being, ANT has a great deal to contribute in the quest of understanding service as an act rather than a state of being – or a dominant logic. Some caution has to be applied – just as beauty is in the eye of the beholder so is the ANT story a description based on what the storyteller sees and which connections and ties are scrutinized.

For the field of service management, such a move would however contribute a set of tools suited for understanding the processes that are of interest. Enrolment, qualification, attachment, de-attachment, and re-attachment have all been used to explain how different entities are involved in commercial relations (Callon 1999; Callon, Méadel et al. 2002; Olsen 2005). Negotiation, opposition, and hesitation are all known concepts that, with a deeper theoretical use, can shed light on service management phenomena in any commercial setting. The use of ANT is equally applicable to other service relationships. As we have seen, it has been useful in deconstructing the port security network, including regulations and actors of various kinds, and also in discussing the pros and cons of S-D Logic as such. A claim to present a "sociology of service" thus needs some sociology in the terminology used.

In view of the risk of falling into the same trap as everyone else, or following the academic tradition that I have criticized above, I will conclude this thesis by elaborating somewhat on the foundational principles and how these can be altered to match the complexity of an elevated perspective on service.

The exchange-dominant service logic

The Service-Dominant Logic, when applied in a non-commercial setting, paves the way for a multitude of thoughts. It can be argued that it was never intended to be applied to social exchanges, that it should be allowed a peaceful life among likeminded within the marketing field.

Personally, I believe that there has always been a possibility – within the scope of its original inventors – that there might be something beyond the normal discourse, that there has been a sincere belief that service, as a notion, has a greater role to play. While working on this thesis, I have changed my own views on S-D Logic, from being a passionate fan, viewing it as a commercial gimmick, to actually analytically taking up the glove and taking up the challenge that was well hidden for many, but so apparent for me: "With exchange of service comes society…" (Vargo and Lush 2006a, p. 408)

The following Post Scriptum is an attempt not only to synthesize the results of this thesis but to move my thoughts further into a theoretical and philosophical territory in which theoretical development is the main focus.

Exchange is the fundamental basis for service.

The key word in the original first foundational principle lies in the definition of service, the application of knowledge and skills for the benefit of another party, where I choose to view the relationship between application and benefit as an exchange, and exchange as always multidirectional. Without exchange, no service; I see the basis of the process in appropriation rather in the state of being.

Indirect exchange is what makes direct exchange possible

Without a previous relationship, is nothing to build upon, no knowledge acquired, nothing to pass on to the next node in the network. Without previous exchanges there would be no subsequent exchanges. There is always a web of relationships, translations, and negotiations.

Tangible things (artifacts, actants, goods) can be important mediators in an exchange network.

Honestly, the original foundational principle number three is as much ANT influenced as it can be, but to be consistent I have amended it

somewhat to suit the overall language in my own commandments. As we have seen in this thesis, the Code, as an inscription, an actant, or a mediator, has had its own implications for the formation of the security landscape.

The strength of the idea being exchanged, and the strength of the network it has enrolled, defines its possibilities of surviving and expanding.

In order to be able to discuss competition outside business or sports, in a social setting, and making it universally applicable to various forms of exchanges, we have to move to higher grounds and to find other ways of describing it. The Tardean notion of idea (what is offered) is what is fighting to be accepted, its strength depending on how many followers it can enroll. Competitive strength derives out of the enrolled network, and enrolment is based on negotiations and translations.

Every actor within a network partakes in its re-creation by constantly negotiating its own role.

Being a part of something is simultaneously a process of constantly defining your identity in relation to the environment to which you belong. The value, benefit, or meaning, is a result of this process – a process of co-creation of sorts – not the simple version emphasized by contemporary service management theory, but rather a complex multidimensional process that requires another analytical perspective.

These five short principles synthesize the more theoretical philosophical dimension of this thesis. It is obvious that this is an area more complex than what can be defined in five, or ten, principles but it is nevertheless important to continue the discussion about how services can be described and how far these descriptions can stretch the service definition. I furthermore hope to have shown the importance of the kind of vocabulary on which these descriptions are based.

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Something has happened in the field of Service Studies. With the introduction of what has been called *the Service Dominant Logic* a large proportion of the established theories related to service as a phenomenon has been challenged. From previously having been defined as something different from the tangible things we buy (goods); a residual, service defined out of what service is not, the new line of thought reversed the entire goods dominant logic stating with service as the point of departure, and also that service is one of the fundamental building blocks of society. In a sense service is regarded as the glue that holds society together constituting something that can be described as a new "sociology of service". This is a big claim for a theory that originates, not only from the field of business, but from the field of marketing within the business field.

The same year that the Service Dominant Logic was introduced, 2004, a new set of regulations was introduced within the international shipping industry. As a reaction to what was defined as an increased threat from international terrorists measures were taken to decrease the risk of attacks on board ships and in ports.

This thesis pairs these two events, the introduction of new regulations in Swedish ports and the new theory of service, in order to analyse the usefulness of the principles of the Service Dominant Logic in a complex service process that is in flux in both time and space.

I will in this thesis argue that, even though there are certain qualities in the Service Dominant Logic, it lacks some fundamental things – first and foremost a language to cope with the vast complexity that is under scrutiny, but also that it might be to all-inclusive to be useful outside a philosophical discussion about the development of theories.

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