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This article studies the nature of the trade-off between incentives and enforcement mechanisms that an Armed Illegal Organization (AIO)'s leadership, which is the principal, offers to its operatives, who act as agents. This principal-agent model focuses on both the expected benefits and costs for those who decide to stay or defect from the armed organization, in an uncertain context in which desertion is encouraged by an external agent who is providing incentives aimed at fostering operatives' individual desertion. Given a parameterization of the model, we find the optimal transfer system using the constrained minimization routine *fmincon* in MATLAB's optimizations toolbox. Once we obtain a numerical version of the contract, we use the computational tool to simulate the behavior of agents who are facing the probability of being punished and how this could encourage agents to not make any effort.

Keywords: Principal-agent theory, contracts, game theory.

JEL: D82, D86.