Crime, insecurity, and corruption: Considering the growth of urban private security

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Critical Commentary

Crime, insecurity, and corruption: Considering the growth of urban private security

ABSTRACT

In this article we call into question the growing presence of private security companies (PSCs) in cities throughout the world. Though PSCs have grown enormously in recent decades, there exist few academic analyses to consider their broad reaching effects. Researchers still have much to understand about the relationships between PSCs and changing patterns of urban development, governance, and public security. PSCs are prevalent in both the Global North and South, yet their presence is perhaps most intense in emerging countries, where social inequality is high and public security is tenuous. As such, in this article we draw on specific examples from the city of São Paulo, Brazil, where demand is soaring for private security and PSCs operate in complicated networks between the state, private capital, and organized crime. Our analysis draws attention to the paradoxes of urban private security, beginning with the fact that public insecurity is in fact good for PSC business. By reflecting on existing published resources – and making connections across several disciplines – our goals in this article are threefold: 1) to highlight the need for more research on PSCs in urban settings; 2) to draw attention to the ways private security is changing urban space, and; 3) to suggest that the growth of PSCs, rather than being representative of increased public security, may in some cases coincide with rising levels of urban crime and insecurity.

Keywords: Urbanisation and developing countries, Governance, Private security, urban, geography
Introduction

The purpose of this article is to draw attention to how private security companies (PSCs) are changing urban space, and more specifically to highlight the need for academic research considering the relationships between private security and processes of urban development, governance, and public security. While there exists a growing literature on Private Military Companies (e.g., Kinsey, 2006; Singer, 2001), the expanding presence of PSCs in everyday urban space remains vastly understudied. In cities across the world, PSCs are increasingly fulfilling state roles of public security and urban governance (Diphorn, 2016; Johnston and Shearing, 2013). Maintaining security in public space has now expanded beyond two key nodes of providership – 1) state providers like the police, and; 2) extra-legal ones that include gangs, militias, organized crime, etc. – to include a third, now equally crucial node: 3) pseudo-state groups (e.g., PSCs) that enforce state laws and make use of physical force, yet do so with only limited state oversight and without sovereign discretion. Though vast bodies of literature exist to document the first two of these nodes (e.g., Arias, 2006; Garmany, 2014; Rodgers, 2007), researchers have yet to grapple with the implications and significance of the third. As such, important questions remain as to the roles of PSCs in connected regimes of urban development and everyday governance, their relationships to state and extra-legal security providers, and the fundamental challenges they pose to state authority and sovereign power more generally.
In what follows we consider the ways cities appear to be changing in the wake of intensifying private security. Though PSCs can be found in cities throughout the world, their presence is especially strong in the Global South where high levels of socio-economic inequality combine with low levels of public security (Caldeira, 2000; Davis, 2010). Our analysis is therefore grounded specifically in the city of São Paulo, Brazil, where the private security sector has grown enormously in just the last thirty years (Zanetic, 2012). The implications of our argument, however, are by no means specific to Brazil or even the Global South, but rather reflect broader changes to urban space and public security (Baily and Dammert, 2005). Moreover, beyond simply calling attention to the ways PSCs are changing cities, and arguing that more academic research is needed, in this article we go a step further: instead of coinciding with increased urban security, we suggest the growth of PSCs may be related to increasing levels of crime, corruption, and urban insecurity.

Work on private security, and the work of private security.

The existence of private security is by no means a recent development. To be fair, private security providers have existed for centuries, in cities as well as elsewhere. They can exist formally or informally, be sanctioned by the state or not, operate in combat zones or in everyday settings, provide individual or even societal protection, and so on. They are historically and in present times very diverse. In recent years, however, private security has come under increased scrutiny from academic and policy experts (Johnston and Shearing, 2013; Holmqvist, 2005). Reasons for this are largely twofold: on the one hand, the use of private security and private military have grown immensely, as neoliberal states seek to privatize and outsource operations once undertaken by state actors (Avant, 2005; Koonings and Krujit,
and on the other hand, state regulation over private security is often ambiguous, an issue that intensifies as private security providers expand and diversify their operations (Newburn, 2001; Squires, 2012). Reasons for this ambiguity call out for more attention from researchers, perhaps owing to increasing state needs for private security services (Zanitec, 2010), while at the same time state actors try to distance themselves from violence carried out by private security. As instances of conflict between private security and the general public grow more common, and cases of lethal action taken by private security continue to mount, questions for academic and policy researchers grow more urgent (Percy, 2012).

While researchers have long paid close attention to two types of security providers – 1) state actors like the police, special forces, military, etc., and; 2) extra-legal ones like gangs, militias, organized crime, and so on – there exist far fewer studies of pseudo-state groups like private security companies, surveillance and intelligence providers, and for-profit prison services (Paasche et al., 2014). Admittedly, definitions for pseudo-state security providers can be quite broad, and in this article we follow Holmqvist (2005), defining them as groups licensed by the state to provide security/protection, but not authorized to use physical force in the same ways or with the same discretion as state security actors (e.g., the police). In particular we center our analysis on private security companies (PSCs), which since the 1980s have expanded massively in countries throughout the world (Zanetic, 2012). Once confined mostly to personal protection and the interests of private capital, today PSCs carry out a variety of services, even providing public security in many urban settings. Tasks traditionally undertaken by state actors are today increasingly left to privatized firms (Abrahamsen and Williams, 2011).
There are in fact numerous studies considering the use of PSCs in international conflict; or more precisely, the use of Private Military Companies (Kinsey, 2006; Percy, 2012; Singer, 2001). What differentiates this work from research on PSCs, however, relates primarily to the contexts in which they operate (combat/conflict zones v. everyday urban settings), and the types of ‘security’ they provide (military intervention and international peacekeeping v. personal protection and the maintenance of public order). While academic debates over Private Military Companies have been prolific (e.g., Avant, 2005; Gallaher, 2012; Gregory, 2010), the growing presence of PSCs in cities around the world remains largely under-researched (Paasche et al., 2014). Today, in both developed and less developed countries, PSCs are becoming crucial components of urban security apparatuses (Abrahamsen and Williams, 2011; Newburn, 2001; Ungar, 2007). Concerning here is that PSCs are not often subject to the same legal obligations as state security personnel: they regularly make use of lethal force, yet in many countries PSCs are shielded from public scrutiny and state oversight (Percy, 2012). Even more uncertain are their potential political ramifications: if the legitimate use of physical force is indeed reserved only for sovereign power (Arendt, 1970; Schmidt, 1985; Weber, 1946), then what challenges might PSCs pose to governance, state legitimacy, and democracy more generally?

In spite of such pressing issues, PSCs continue to grow with few regulatory overseers and little public debate. Now ubiquitous in cities throughout the world – consider, for example, that the world’s largest PSC is ‘G4S’ in the UK (Abrahamsen and Williams, 2011) – their growth is especially robust in cities of the Global South (Abrahamsen, 2016). The causes for this growth are myriad, stemming in the first
instance from high levels of socio-economic inequality, insufficient and low-quality state resources, and high levels of public insecurity (c.f., Davis 2010; Rotker and Goldman, 2002). Important for revealing a host of policing and territorial concerns (Paasche et al., 2014), existing research still raises more questions than it answers. Serious work remains in order to understand, for example, the effects of PSCs on public security administration and law enforcement, the relationships between PSCs and state (and extra-legal) security providers, and the potential consequences and longer term changes that are likely to emerge in cities where PSCs are prominent (see for example Diphorn, 2016).

To begin unpacking these issues, we focus specifically on the city of São Paulo, Brazil. Like many cities in the Global South, São Paulo’s rapid urban growth has coincided with a greatly expanded PSC sector in just the last few decades (Zanetic, 2012). The city serves as an excellent case study site for the processes we consider more generally in this article. Yet our purpose here is not to provide a comprehensive case study of São Paulo, or even to describe a set of urban security changes specific to the Global South. By drawing on specific examples from Brazil, we hope to emphasize the need for further investigation and to illustrate the urgency of these questions to urban researchers. Our brief analysis of São Paulo’s PSC sector also serves to highlight some of the paradoxes of private security, building to our larger argument that urban public security may in fact be undermined by the growth of PSCs.

**Private security and urban change**

Like other large cities elsewhere in the world, private security in São Paulo began to grow significantly in the 1970s. This growth continued through the 1980s, and then
skyrocketed in the ‘90s as crime and urban homicides began to soar. As São Paulo
grew mostly at the periphery with gated condominiums, apartment blocs, shopping
malls and private businesses (retail stores, restaurants, etc.), schools, banks, petrol
stations, and so on, the demand for PSCs grew almost exponentially. A rapidly
growing city with increasing crime rates was clearly beyond the capabilities of São
Paulo’s military police, and PSCs stepped in quickly to fill the public security void. By
the start of the twenty-first century there were already more private security agents
on the streets of São Paulo then actual police officers (Zanetic, 2012). These changes
have induced profound effects upon urban space, as São Paulo today has become a
city where fortified security measures (e.g., walls, gates, surveillance) have become
representative, rather perversely, of an aesthetically chic urban architecture
(Caldeira, 2000).

Startling as this growth might first appear, it in fact reflects broader global
trends, where by 2005 private security personnel outnumbered police in every
continent around the world (Zanetic, 2010). What has driven this growth is of course
multifaceted, stemming in large part from changing state spending priorities and
governance techniques, an expanding and highly profitable public/private security
industry, and public perceptions of urban insecurity and everyday violence
(Abrahamsen, 2016; Davis, 2010). PSCs are thus both symptomatic of structural
changes in urban development and governance, as well as agents of change for
public security, urban growth, and political economic decision making processes.

When considering private security in cities like São Paulo, two important,
critical questions come immediately to the fore: 1) what exactly is a PSC, and what
differentiates PSCs from state and extra-legal security providers?; and 2) what
distinguishes urban private security from urban public security in everyday contexts?

While both of these questions may at first seem clear-cut and even pedantic, they are in fact quite difficult to clarify on the ground, so muddled are the linkages between PSCs and other forms of urban security. To identify and respond to these questions illustrates not only how public policy and academic heuristics are complicated by empirical realities, but also how urban space – and more specifically understandings of urban space – are changing on account of PSCs.

To address the first of these questions, we return to our original definition for PSCs, describing them as groups licensed by the state to provide security/protection, but not authorized to use physical force in the same ways or with the same discretion as state security actors. The question of ‘discretion’ (e.g., Garmany, 2014; Neocleous, 2000) is key here, and we return to it in the final section of the article. To begin, however, we highlight several factors making it difficult to untangle PSCs from other security providers (viz., police and militias). While the issue of licensing may appear straightforward – for example, PSCs are registered with the state whereas militias (i.e., informal security providers) are not – to the general public such distinctions often mean very little, and to the urban poor in particular (Zaluar and Conceição, 2007). Extra-legal private security is especially prominent in low-income areas, where vigilante militia groups are on the rise, often times in connection with organized crime (Feltran, 2010). Whether police, PSCs, or informal private security, all of these groups carry guns, and rarely do they face criminal charges if/when they use them. Further still, all of them wear similar uniforms, making it nearly impossible to differentiate one from the other (Zanetic, 2012). Even more intermixed are the individual employees themselves: note Zaluar and
Conceição (2007), both PSCs and militias are regularly staffed by off-duty or retired police officers, meaning that someone could in fact be working for the police, a PSC, and a militia all at the same time.

If the distinctions between PSCs and other security providers seem ambiguous, murkier still are the different roles they serve. On the surface they appear to work mostly through deterrence and intimidation, but security in cities like São Paulo is rarely so simple. New research suggests that organized crime may actually hold sway over large swaths of São Paulo (Denyer Willis, 2015; Feltran, 2011), raising serious questions for how police and PSCs operate, what work they really do, and what networks might connect them to organized crime. For example, might PSCs work as intermediaries between crime, the police, and the general public – like brokers, as it were, between formal and informal economies – in order to provide security for their clients? Related to this, what are the broader business networks of private security, linking PSCs with political parties, lobby groups, religious organizations, etc., and how do these relationships (dis)connect the state and civil society at both municipal and federal levels (Galdeano, 2014)? Even more significantly, how might this entanglement of different actors and socio-state relationships challenge existing understandings of democracy and urban security?

Without answers to such questions, researchers face formidable blind spots when trying to understand contemporary public security and urban governance in cities around the world.

Turning to our second question regarding the actual differences between private and public security in São Paulo, we again draw attention to the intermixed actors that (supposedly) define these two sectors. Much like how 'formal' and
‘informal’ urban spaces and social practices are crucially linked and mutually
dependent (Borraz and Le Galès, 2010), distinctions separating state from non-state
actors – as well as public interests from private ones – also breakdown on closer
inspection. According to Anthony Pereira (2008), it is not uncommon for Brazilian
state officials involved with public security to have business ties with the private
security sector, in some instances even owning and operating PSCs while in office.
Typical as such cases might seem given Brazil’s reputation for political corruption,
they are by no means unique to Brazil or even countries of the Global South.
Consider, for example, that Rudolf Giuliani, former mayor of New York and two-time
presidential candidate, founded and continues to help oversee one of the world’s
largest PSCs, “Giuliani Partners.” That elected officials responsible for public security
in cities around the world are today heavily invested in PSCs provides yet one more
example of the ways public and private security are becoming increasingly difficult to
distinguish.

Even more concerning here, and moving on to our final point that the growth
of PSCs may be undermining urban public security, are the potential relationships
between PSC sector growth and instances of urban crime, insecurity, and corruption.
As just one example, there exists an obvious parasitic relationship between PSCs and
public security: increasing fears over public safety combined with fewer state
resources to address such fears are *good* for PSC business. As such, when some of
those in charge of public security are simultaneously looking to profit from the
private sector, it should come as no surprise that initiatives emphasizing *protection*
from crime and violence (e.g., PSCs, private prisons, personal firearms) compete with
those to actually reduce urban insecurity (e.g., addressing inequality, instituting firearm restrictions, providing mental health facilities).

Going further, what is perhaps even more harmful to contemporary urban security is not so much a lack of state funding or public resources, but rather the way public funds are now channeled into PSCs. In São Paulo, writes André Zanetic (2010), the state is by far the largest consumer of PSC services, meaning that public security is increasingly becoming a privately contracted resource deployed for specific urban spaces and special events. Combined with this are hyper-incarceration initiatives that also rely on private prison operators, leading to a staggering 576% increase in São Paulo’s prison population in just the last two decades (Silvestre, 2016).

According to multiple studies these tactics have had the perverse effect of producing and fortifying organized crime (Adorno and Dias, 2014; Biondi, 2010; Dias, 2013), as São Paulo’s prisons are now dominated by Brazil’s largest and most infamous prison gang, the PCC (Primeiro Comando da Capital). As more and more people are sent to prison, the PCC grows in numbers and strength (Dias and Darke, 2015). Granted, homicides have decreased over the last 15 years in São Paulo, but whether this is indicative of better public security is another question altogether.

For example, ethnographic research from São Paulo’s most violent neighborhoods suggests the PCC is likely behind falling homicide rates rather than public security initiatives (Denyer Willis, 2015; Feltran, 2011). Quite simply, homicides are bad for PCC business since they draw public attention and police inquiry, so killing is officiated – and carried out when deemed necessary – by gang members, not the state. As such, São Paulo may have fewer homicides today, but to argue that the city is more ‘secure’ or less violent would be shortsighted. Public
security in democratic societies is more than just reduced homicide rates. If indeed ethnographic researchers are right, and much of São Paulo is governed by the PCC, than it stands that public security is in fact much more tenuous than police officials would lead citizens to believe. Crime protection comes mostly from private security; crime prevention comes mostly from organized crime; and the idealized notion of reliable, state-based public security seems evermore a relic of the twentieth century.

Not all of these problems of course can be blamed on the growth of PSCs. In addition to private security, one must also consider how new policing tactics, surveillance technologies, and criminal justice protocol are reshaping urban space. Rather than producing equitable and more reliable public security, these processes seem to connect in many instances to social injustice, political corruption, and crime and urban insecurity, especially for low-income and minority residents. But again, plenty of scholarship already exists to consider these factors (e.g., Arias, 2006; Davis, 2010; Denyer Willis, 2015); what urban researchers lack are studies investigating the effects of intensifying private security. The final section of this article considers the theoretical implications of such a research agenda, briefly exploring the potential consequences of PSC growth, and focusing specifically on questions of urban governance and state power.

**Considering an urban private security research agenda**

For decades, scholars have debated what defines state power and contemporary sovereignty, returning often to Weber’s thesis (1946) regarding the state’s monopoly on the legitimate use of physical force (e.g., Arendt, 1970; Schmitt, 1985). Though Weber of course recognized that PSCs could make use of ‘legitimate’ violence when authorized by state institutions, such instances generally apply to international
conflict and spaces where the state does not hold sovereign power (c.f., Gregory, 2010; Singer, 2001). In territories where the state does hold undisputed sway, delegating the use of legitimate physical force to PSCs represents a potentially momentous shift in sovereign governance. Existing research helps to explain why some of these changes might be happening (Abrahamsen, 2016; Davis, 2010), yet still to be investigated is the state’s changing relationship with public security, and how these changes are likely to alter processes of urban governance, state sovereignty, and contemporary democracy more generally (see for example Bertelsen, 2009; Hansen and Stepputat, 2006).

Important here is the issue of state authorization, and indeed what roles and responsibilities the state transfers (or not) to private security. Though PSCs are authorized in many instances to use lethal force to protect their clients, rarely are they allowed to undertake official investigations, engage in pursuits, make arrests, etc. (e.g., Diphorn, 2016). They lack ‘discretion’ beholden to state actors like the police (Garmany, 2014; Neocleous, 2000). For example, when it comes to engagements with the general public, PSCs are (supposedly) bound to stricter codes of conduct. Their inability to use discretion means they lack the authority of state actors, highlighting one of the major differences between police and PSCs. So long as the state retains singular control over discretion, and continues to authorize who can use physical force and in what contexts, then the state’s monopoly on violence would appear to remain intact even with recent changes in public and private security.

Yet if PSCs are to continue growing, and states continue to outsource public security responsibilities (i.e., delegating the use of legitimate violence to pseudo-
state actors), how will questions of discretion be negotiated in the future? More
generally, will the state’s monopoly on violence officially cease to exist (perhaps it
already has?), and what might this mean for state power in the future? And if, as we
have argued in this article, the growth of private security may coincide in some
instances with crime, corruption, and urban insecurity, what will twenty-first-century
cities look like, especially for those unable to afford private security? The
ramifications of these changes are enormous for urban landscapes, and deserve, we
feel, greater attention from urban researchers. We hope this article provides a
humble step in that direction, sparking greater debate and possible insight for future
research.

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