The Marketization of Security Services

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Abstract. This paper discusses the normative credentials of the “commodification of security,” i.e. subjecting protection against (criminal) threats to the market. It distinguishes between a “pure security market,” in the absence of public protection by the police, and an “additional security market,” co-existing with public provision. It argues that a pure security market is not so much unstable (as Nozick’s invisible hand argument for the minimal state implied) but undesirable, because of persisting levels of unjustifiable violence. This does not however, mean that an additional security market is equally problematic. I discuss two main arguments in favor of state provision and how both lead to the same conclusion, that additional security efforts by commercial providers should be considered permissible. This shifts the question to the conditions which make the resulting mix of market and state legitimate. I will close by discussing three of these conditions: adequate regulation, cooperation between market and state providers, and a balance between both so that commercial security efforts do not undermine the minimum level provided by the state.

Keywords: market, commodification, state provision, security, policing.

Significant shifts have been occurring over the last several decades with regard to combating crime and delivering security. Whereas formerly the state was the focal point for the attribution of responsibility, a range of actors is now explicitly looked upon to supply security services. Arguably the most important of these new actors is the private security industry, which has been growing rapidly since the 1960s and 1970s. In terms of the number of personnel employed, private security now equals or outnumbers the public police in many countries. For example, in the US the private security industry employed 1.5 million people against 828,000 for the public police (De Waard 1999, 155). In the EU as a whole the police still have the upper hand, with 1.5 million employees against 1.1 million for private security (Van Steden and Sarre 2007). Since the size of the police in absolute terms has also increased over the decades, it would be incorrect to say that the private security industry has replaced the police. Rather, private security has satisfied large parts of a “new demand for security” (Jones and Newburn 2002, 96). As a consequence the relative proportions of security delivered by public versus market security have changed dramatically in favor of private security. This raises many empirical questions, but also a key normative question: What to think of this “commodification of security?”

In speaking about the practice of security provision I define security rather narrowly, not as an all-encompassing state of being (e.g. including social security and ecological security), but rather as “the preservation of the peace, that is, the maintenance of a way of doing things where persons and property are free from unwarranted interference so that people may go about their business safely” (Shearing 1992, 399). Security provision thus defined aims at establishing a form of social order in which individuals are protected against a well-specified range of threats or risks to life and property, normally labeled
The range of contributions to this aim is potentially very wide, from national defense to police patrol, from education about the dangers of crime to job programs for the unemployed. Here I focus on activities directly aimed at prevention and prosecution of criminal threats; such as surveillance in public places, guarding specified objects, arresting and hearing suspects, etc. Roughly, these activities are summarized under the rubric “policing.” Ideal-typically, this can be done by the police (public provision), by commercial security companies (market provision), by citizen groups in neighborhood watch schemes and the like (informal provision) or by individuals protecting themselves and their property with their own means (self-provision). When one mode predominates I will call this a “pure” system (e.g. “pure market” or “pure public” provision etc.) When several of these modes of provision operate side by side I will call this a system of “institutional pluralism” (Claassen 2009). A security market which exists in such a pluralist system where a minimum level of security is provided the state, I will call an “additional market.”

I first discuss the argument that security has to be state-provided, because a market-based system is inherently unstable. I will examine this position as represented by Nozick’s argument for the minimal state. The conclusion will be, contra Nozick, that a pure security market is conceivable (Section I). This makes it necessary to ask the normative question whether such a market is desirable. Two main objections against market-based security are its tendency to produce several kinds of unjustifiable violence (Section II) and its tendency to produce more feelings of anxiety (subjective insecurity) than warranted by actual levels of insecurity (Section III). This leads me to turn my attention to the two most important arguments in favor of pure public provision. The first maintains that state provision is necessary to hold individuals responsible for their violations of public order (section IV), while the second maintains that state provision of security is necessary to establish community (section V). Both arguments give the state a pivotal role in providing a minimum level of security to all, but they also show why additional security efforts by other providers should be considered permissible. This shifts the question to the conditions which make the resulting mix of market and state legitimate. I will close by discussing three of these conditions: adequate regulation, cooperation between market and state providers, and a balance between both so that private security efforts do not undermine the minimum level provided by the state (Section VI).

1] For an extensive discussion of the problem of defining “policing,” see Jones and Newburn 1998, 247 ff. I exclude other branches of the “system of justice” most notably jurisdiction (courts, arbitration mechanisms) and detention (prisons), and “external security,” i.e. protection against foreign enemies.

2] Informal provision and self-provision play a relatively marginal role as additional mechanisms. In the literature, “community policing” is the notion that captures the amalgam of informal, voluntary and unpaid initiatives by citizens such as neighborhood watch schemes. See Johnston 1996.
I. SECURITY AS A PURE MARKET GOOD?

A discussion of security as a public service may seem to be asymmetrical to a discussion of any other public service (like health care or education), because security has a special connection to the state. The state is the distinct entity it is because of its role in providing security. In social contract theories the fact that a state takes upon itself the protection of all citizens marks the crucial break with the state of nature, in which security is purely “market-based.” The libertarian philosopher Robert Nozick provides a theoretical account of a pure security market (i.e. a market in the absence of a state) that has been particularly influential. He maintains that such a market is inherently unstable.

In *Anarchy, State and Utopia* (1974) Nozick reconstructs the need to overcome the state of nature and to establish a minimal state which relieves its citizens of the burden of providing security for themselves. For Nozick, individuals in a state of nature have individual rights. They can reach all kinds of agreements with each other on the basis of these rights. However, in the state of nature the enforcement of these rights is a matter of self-provision. This raises a problem:

Thus private and personal enforcement of one’s rights leads to feuds, to an endless series of acts of retaliation and exactions of compensation. And there is no firm way to settle such a dispute, to end it and to have both parties know it is ended. Even if one party says he’ll stop his acts of retaliation, the other can rest secure only if he knows the first still does not feel entitled to gain recompense or to exact retribution, and therefore entitled to try when a promising occasion presents itself. Such feelings of being mutually wronged can occur even with the clearest right and with joint agreement on the facts of each person’s conduct; all the more is there opportunity for such retaliatory battle when the facts or the rights are to some extent unclear. Also, in a state of nature a person may lack the power to enforce his rights; he may be unable to punish or exact compensation from a stronger advisory who has violated them. (Nozick 1974, 11-12)

This passage aptly summarizes the reasons for the inadequacy of security provided through the mechanism of self-provision. Nozick notes three problems: the problem of credibly binding oneself to one’s commitments, the problem of establishing agreement about the rights and facts involved, and the problem of enforcing these rights. To solve these problems of the state of nature, Nozick imagines that people associate into “mutual-protection associations” that settle disputes between their members and enforce these settlements upon them. In these associations, people will not provide security for themselves or other members: “Some people will be hired to perform protective functions, and some entrepreneurs will go into the business of selling protective services. Different

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3] The occurrence of these problems presupposes the accuracy of some empirical assumptions about the psychology of those inhabiting that state of nature – most notably that there is a system of social cooperation (man is not solitarily wandering through the fields) but with limited altruism of people within this system. These assumptions mirror the assumptions about the “circumstances of justice” as David Hume and John Rawls have used them.
sorts of protective policies would be offered, at different prices, for those who may desire more extensive or elaborate protection.\footnote{The dominant agency lacks two attributes of the state: it does not claim a monopoly on the use of force and it does not protect non-members. Both attributes testify to the voluntary nature of private agreements: I can choose not to contract with the dominant agency but to continue providing security for myself. To become a state, the protective agency must refuse others the right to enforce their own rights and impose obligatory membership in its protective scheme. Nozick argues that these further steps can also be justified. The dominant agency has the right to refuse non-members their enforcement rights, because the latter impose risks on its members (they may resort to “wrongful and unjust retaliation” (Nozick 1974, 55)). The dominant agency may do so provided that it compensates them by providing security for them, even though they did not subscribe to its services (Nozick 1974, 110).} (Nozick 1974, 13) This effectively turns security into a pure market good. It is now exchanged freely on the basis of prices that result from the interplay of each person’s personal preferences and endowments.

The protection agency solves the problems mentioned above. It has the capacity to establish the rights and facts involved and to enforce its judgments. Moreover, its threats are credible since it is neutral between conflicting parties (its members). However, it is not the endpoint of Nozick’s hypothetical history, for he argues that the security market turns out to be unstable. The presence of several competing agencies, each with its own membership, ensures the continuation of the state of nature on a higher level – now between protective agencies rather than individuals. Conflicts between members and non-members provoke conflicts between associations. Nozick argues that these conflicts have three possible outcomes. Either one agency always defeats the other and appropriates its membership, or both agencies are equally strong and divide up the territory among themselves, or both will set up a third party mediating conflicts between them. All of these outcomes represent a situation in which “almost all the persons in a geographical area are under some common system that judges between their competing claims and enforces their rights.” (Nozick 1974, 16) This common system is the “dominant agent” in a given area and in due course it will acquire the attributes of a state. It arises by an autonomous process, as if led by an “invisible hand.” Nozick explains the inherent instability of the security market as follows:

Why is this market different from all other markets? Why would a virtual monopoly arise in this market without the government intervention that elsewhere creates and maintains it? The worth of the product purchased, protection against others, is relative: it depends upon how strong the others are. Yet unlike other goods that are comparatively evaluated, maximal competing protective services cannot coexist; the nature of the service brings different agencies not only into competition for customers’ patronage, but also into violent conflict with each other. Also, since the worth of the less than maximal product declines disproportionately with the number who purchase the maximal product, customers will not stably settle for the lesser good, and competing companies are caught in a declining spiral. (1974, 17)

If Nozick is right, a normative assessment of the pure security market is unnecessary, for the security market does not represent a stable outcome in the first place. But is he right? A natural test for the strength of his argument is to see whether instantiations of
such a pure security market have actually existed or perhaps still do exist. Therefore it is instructive to confront his argument with an empirically informed account of what is arguably such a pure security market: the mafia in Sicily. Sociologist Diego Gambetta in his *The Sicilian Mafia. The Business of Private Protection* (1993) makes a convincing case that the mafia is best understood as a cartel of businesses dealing in private protection. Using his account, I will argue that Nozick is wrong and a pure security market is a conceivable outcome.

According to Gambetta, it is a fundamental misunderstanding to think of the mafia either as mere criminals stealing from innocent citizens, or as entrepreneurs in specific illegal commodities (such as drugs or weapons). Of course the mafia does commit crimes against property and engages in illegal trades. However, their primary business is to provide protection. Gambetta gives an account of the role of mafia organizations that is strikingly similar to Nozick’s protection associations. He starts from the fact that parties to ordinary transactions initially lack the trust in each other needed to engage in trade. Then he explains that they need a third party who guarantees enforcement of their mutual contracts in exchange for a fee. The third party solves the problem of enforcement that would reign in its absence (Gambetta 1993, 15-18). Mafia organizations are such third parties – structural analogues to the protection agencies in the state of nature. The crucial difference is that Gambetta maintains that mafia organizations will not necessarily merge into one dominant agency over time.

The main theoretical reason Gambetta gives for this is that mafia organizations are subject to conflicting incentives. On the one hand they have an incentive to increase their membership, “in order to strengthen both their sources of revenue and their independence from any single source.” (Gambetta 1993, 23) But they are also subject to the countervailing incentive of restricting their circle of clients, for two reasons. First, there is a problem of scale. If the number of clients is too large, the mafioso in effect offers a public good. This creates incentives for “tax evasion”: clients will attempt to profit from the mafioso’s protection without paying the price. Second, if the mafioso provides protection to everybody, clients may come to think that orderly transactions are not so much the result of his mafioso’s protection but emerge from the inherent trustworthiness of one’s contract partners. This would undermine the dependence of clients on the mafioso. A personal reputation for effective protection is a mafioso’s most important asset and this asset would be endangered if it appears to be superfluous in the eyes of his clients. For both reasons, then, the viability of the protection business depends on the fact that it is delivered to some, not to all.

Due to these opposing incentives a market structure will arise which fluctuates permanently between cartel and competition. This outcome is empirically validated. Over the course of their history (mid-19th century to the present day) mafia businesses have remained small and numerous. Sometimes they form a cartel in which mutual (“collusive”) agreements are made, for example about divisions of territory and sharing of customers (Gambetta 1993, 197-202). However, this cartel often is unstable – competition
can always reemerge, as has happened numerous times (periods of inter-mafia war). Gambetta illustrates this market structure by imagining a situation in which a consumer is dissatisfied with the protection service he receives from a mafia organization. Which courses of action are open to him? First, there may be a situation of monopoly, because one mafia firm has defeated all of its competitors. In this situation the dissatisfied consumer has no choice. Second, there may be a situation of competition. Another mafia firm can try to attract the dissatisfied consumer – however, this firm ultimately risks a war with the original provider. Third, there may be a situation of competition but the alternative firm decides to abstain – this establishes an oligopoly where clients and territory are divided between firms.

Gambetta maintains that only monopoly and oligopoly are attractive for each mafia firm separately. Oligopoly obtains in periods of stability in which mafia firms have a territory under their control. Nonetheless, oligopoly can always be interrupted by fresh challenges to domination by newcomers or as a consequence of power shifts among existing firms; they will try to establish a monopoly but thereby bring about competition. The emergence of a permanent monopoly that will never be challenged – Nozick’s dominant agency – is by no means the necessary outcome. Gambetta concludes: “there is no inescapable equilibrium. Here we stumble into the much less predictable realm of politics.” (Gambetta 1993, 71)

This conclusion is reinforced, I think, by the common sense observation that more or less anarchistic political environments have existed, and continue to exist in certain parts of the world. The rise of a state successfully monopolizing force is not inevitable. But if that is correct, if a pure market for security is a conceivable outcome, the question becomes a normative one, i.e. whether such an organization of security provision is desirable. The fact that a leading example of a pure security market is the mafia does trigger a strong intuition to the contrary. However, an explicit analysis of objections to a pure security market is needed to validate that intuition. It is to these objections that I now turn.

II. A FIRST OBJECTION TO MARKETING SECURITY: UNJUSTIFIABLE VIOLENCE

The fundamental normative goal for security provision is that people can be secure. This normative demand can be spelled out in different terms. We could call it a basic need, or alternatively a basic capability for “being secure.” Being in a state in which one is protected against violations of one’s rights to life and property is a precondition for realizing one’s personal goals, values, commitments and plans of life. I assume everyone has such a

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5] A typical cause for such a war is when a mafia boss is jailed or murdered, so that his family is put out of business. This causes a power vacuum to arise, whereupon customers drift to other families and upset the original power equilibrium between these families (Gambetta 1993, 70 and 115).

6] Similarly, Murray Rothbard has criticized Nozick for failing to let the invisible hand actually do its work instead of predicting what it would do. He claimed that the minimal state might fall back into anarchy because of challenges raised to it by independent protection firms (1977, 47-48 and 55).
basic interest in the opportunities for realizing their goals; I will refer to this as our interest in having the “capacity for agency” (Claassen 2009). This leaves open the question of the addressee: who has to take upon itself the charge to secure the provision of a basic level of security that its members need in order to sustain their free agency? What is clear, a priori, is that the fundamental interest cannot be one in establishing “absolute security.” A guarantee that no violation of one’s rights will ever occur is a mere illusion. Different levels of security provision establish different levels of protection of one’s capacity for agency against threats, and only a contentious political discussion can establish what level of (in) security is acceptable in a given society.  

Against this normative background, the first objection against a pure security market is that it will tend to practice unjustifiable levels of violence. This formulation makes it clear that no security provider can do without violence completely. The question is how different modes of provision fare in this respect. We may distinguish two types of unjustifiable violence on a pure security market.

The first type is violent manipulation of market demand. The most common variant of this is extortion, i.e. coercion exerted by protection firms toward prospective clients in order to make them buy their services. In economic terms, the producer overrules the process of free preference formation on the part of the prospective consumer, on pain of punishment. Another variant of violent market manipulation arises where providers artificially increase demand for their protection services by inviting others to commit criminal activities. Thus, in 18th-century America and England a security market existed which made victims of theft dependent on commercial agencies that would attempt to recover the stolen goods for a percentage of their value. This encouraged these agencies to contract with prospective thieves to share the reward they would receive when they “recovered” the stolen goods, or even worse, to set up crimes themselves, then accuse innocent victims and force them to pay a “reward” to go free (Spitzer and Scull 1977, 275). Both variants violate the freedom of the agent to act on the market (“consumer sovereignty”), either by directly coercing the agent or by creating a demand that would otherwise not exist. In addition to this, dissatisfied customers lack the freedom they would have in a normal market, when they could respond to these malpractices (“voting with their feet”) by turning to a more reliable provider. In a pure security market, by contrast, it

7] Correspondingly, individuals will have to take different levels of precautions to protect themselves against the residual possibility of threats. For example, at one level of security provision, one will be so safe that one does not even lock the doors at night, at another level, one will be regularly forced to take time-consuming detours to avoid dangerous places, at yet another level one will have to hide for years to escape deportation to a concentration camp.

8] The popular image is that this is an important part of how the mafia operates. Gambetta notices that this is not completely justified: “contrary to widespread belief, the refusal to buy protection is not met with outright violence.” He does concede that “mafia promotion is indeed a virulent version of the ‘foot in the door’ sales technique,” but he maintains that a refusal to buy is mostly met with violence against property only, whereas murders are reserved for those who break agreements or become informers. (Gambetta 1993, 54)
is extremely risky for clients to switch to another supplier. Long-term and often intimate connections between customers and suppliers of protection obtain, so that clients lack the power to cut themselves loose from their providers, who are able and willing to enforce contracts by resorting to force. At all these levels, the free exercise of consumers’ capacity for agency is violated.

The second type of violence is practiced in the service of protecting one’s clients. The objection here is not that this kind of violence is automatically immoral, since any system of security provision will have to resort to violence to protect clients. Unless one presupposes a rosy psychology in which everyone always obeys the security provider without resistance, the safety of all can only be guaranteed by occasional violence against some. The point is that these violations of the capacity for agency of those against whom violence is practiced must be legitimated; that is, the violations must be unavoidable to ensure that one’s client “can go about his business safely” (whatever the level at which one sets the expectation of safety) and this must be proportional to the offense. This kind of legitimation is absent in a pure security market. Escalations of violence above the necessary and proportional level are likely to occur, because competition on the pure security market tends to be not on price but on quality – and the predominant quality is susceptibility to violence. Anyone who wants to establish a place on the pure security market has to distinguish himself and set a reputation for effectiveness in protection and retaliation in favor of his clients, i.e. in using violence.

What both types of violence have in common is that “protection against the protectors” is lacking. Put in different words, while protection is delivered, as far as these companies are willing and able to, what is absent is a system of justice. This problem, one could protest, is not unique to the market. Public provision of security essentially faces the same problem: Who protects us against Leviathan? Can’t monopolistic rulers be cruel and arbitrary in the way they treat their subjects? What this makes clear, is that the monopolization of the use of force is in itself an insufficient remedy. The crucial transition is to impersonal rule (the rule of law), the institution of systems of accountability toward the community as a whole (via the democratic process) and the creation of countervailing powers (such as an independent judiciary). Security markets are objectionable because they cannot (by their nature, given competition between firms) make this transition, while monopolized provision may – given the right historical circumstances – make this

9] Gambetta attributes the long-term nature of contracts to the difficulties of establishing prices for single acts of protection. This leads both provider and customer to prefer a constant flow of protection. The symbiosis goes so far that clients can be characterized as a kind of “property” of the mafia firm, which is confirmed by all kinds of symbolic exchanges between customer and supplier (Gambetta 1993, 55-57).

10] This too is confirmed in the bloody evidence from the mafia history. For a theoretical explanation of the necessity to compete on violence see Gambetta 1993, 41.

transition. If it does so, it will give rise to a legitimate state, as the classical social contract theorists have argued.

Some libertarians have disputed this conclusion. They hold that security markets will not be characterized by endemic violence at all, for it would be in the economic interest of protection businesses to set up a system of independent appeal courts and arbitrators to mediate conflicts. Clients would demand guarantees of such a peaceful system and would dislike wars and conflicts between businesses because “such wars and conflicts would be bad – very bad – for business.” (Rothbard 1978, 225) This presupposes that these providers will be convinced that they all benefit by its establishment. However, this seems to me an unlikely presupposition. Situations can always arise in which one security provider thinks he can gain larger benefits by defecting from the system. The crucial question is whether the third party will then have the means to prevent him from defecting. When this is the case, the third party will most likely become a state, monopolizing the means of violence itself. When it doesn’t have these means, it will remain so powerless that the resulting anarchy provides no guarantees against unjustified violence.

This also shows us what to think of the argument that can be made by using standard economics, i.e. that protection should be delivered by the state because it is a public good. The two characteristics of a public good in the economic sense are non-excludability and non-rivalness in consumption. However, (groups of) individuals can often be excluded from the consumption of security provision and the addition of extra consumers at a certain point will be to the detriment of the quality of provision for the original group of consumers. Most authors therefore agree that protection has both private good and public good elements. The public good element is a matter of (large) positive externalities, mainly with respect to deterrence (Morris 1998, 59-61). However, unlike with other goods, the efficiency rationale for public provision because of these externalities, is not the main reason for preferring public provision. The reason is that the private alternative is not available in the first place, at least not without considerable levels of unjustifiable violence. Only in this latter, moralized, sense, we could say that a private security market is ‘unstable.’ To the extent that such a pure market becomes stable (with a strong third party overseeing the market) it is already close to monopolized (quasi-state) provision. To the extent that it is not stable, it will remain close to Hobbesian anarchy (Cowen 1992; Friedman 1994; Cowen 1994).

In conclusion, the features of a pure security market discussed here provide the basis of what I will call the corrective justice argument in favor of state provision. In section IV, I will discuss whether this argument also rules out the establishment of an additional security market.14

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13] Some have worked this out by showing how the several types of services that police offers engage in can in principle be subject to privatization (Fixler and Poole 1988).
14] Some defend a market in conjunction with a charity-based system (Rothbard 1978, 223). This
III. A SECOND OBJECTION TO MARKETIZING SECURITY: RAISING ANXIETY

I now turn to a second objection against security markets. This objection holds that security markets will tend to manipulate the anxiety about crime on the part of consumers. This objection holds – unlike the previous one – both for pure and additional security markets, i.e. both in the absence and in the presence of a state itself providing security services.

Security companies – like all companies – can only survive if there is a demand for their services. Above we encountered two ways of ensuring that such a demand exists (extortion and setting up crimes). Both are objectionable because they directly interfere with the consumer’s capacity for agency. But in addition there is a third way to ensure market demand, which does not require coercing the consumer or commanding criminal threats. One can also try to change the consumer’s perception about these threats. Market demand for security presupposes a certain level of distrust between individuals, so it is profitable for security providers to cultivate and enhance these feelings of distrust by engaging in a deliberate effort to increase feelings of anxiety, fear and insecurity. This kind of preference manipulation is common to almost all contemporary markets, where preferences are being influenced and biased by the information and persuasion exerted upon consumers by producers. For most of these markets, such pressures do not provide a reason for protest because we normally assume that consumers are able to critically handle such pressures: they retain their full powers of agency. The objection therefore is not that consumer’s capacity for agency is violated directly, but rather that preference manipulation prevents the attainment of an optimal level of security, to which we have a basic capability or basic need.

Explaining this requires us to complicate our understanding of what security is. Security is a peculiar good in that it has two distinct dimensions. It refers both to objective security (absence of crime) and subjective security (absence of feelings of fear and anxiety about crime) (Zedner 2003, 155). Up to this point in the paper, I have only considered the first dimension. But success on both dimensions is required for a successful reduction of insecurity. Obstacles to agency (“going about one’s business safely”) are present both where one is objectively inhibited from performing certain actions and when one subjectively perceives there to be such an inhibition (even when there is not). This double-sidedness of security implies that, ideally, security provision should be a self-effacing alternative, however, gives up on security as a basic right. There is no guarantee whatsoever that charity will not leave important parts of the population without security. Security charity would probably be selective, fragmented and understaffed.

15] Again, Gambetta confirms this point for the mafia: “The mafioso himself has an interest in making regulated injections of distrust into the market to increase the demand for the good he sells: protection. If agents were to develop trust among themselves, he would become idle.” (25) Distrust, “once addressed through mafioso protection, becomes self-perpetuating and self-expanding” (1993, 27) because the shield of the mafia induces those merchants profiting from it to cheat on those who are unprotected, which in turn stimulates the latter to seek protection as well.
practice. Security is best provided for when no threats remain, so that future security efforts are rendered superfluous. However, it is not in the interest of a commercial provider to render himself superfluous; he has an incentive to manipulate preferences so that insecurity persists at least on the subjective dimension. He has an incentive in creating a kind of “security hypochondria” (Zedner 2003, 176). The security industry’s marketing and advertisement efforts are in the business of creating such an effect. Moreover, the deliverance of security itself may increase anxiety and enhance further demand, and in that sense be self-propelling:

The actuality of security consumption has, however, a powerful in-built capacity to disenchant – to fail to satisfy the expectations that attend its contemplation. Insofar as private policing and security ”works” (and victimization is subsequently avoided), consumers may of course derive satisfaction from having made themselves, their home, business or community more secure – though the proliferation of protective services and hardware can (in ways that are self-fulfilling) signify to them that the world outside remains as dangerous as ever. Should these products fail, however, the ensuing disquiet and anxiety is likely to be greater than if no consumption had taken place at all. (Loader 1999, 381)

People are (also) insecure if they feel insecure. Since these feelings are a component of being in a state of security and since security is a basic need, feelings of insecurity are objectionable in their own right. In that sense, the experience underlying the demand for security is fundamentally different from the experience underlying the demand for most normal commodities. For normal commodities this experience is a package of positive feelings like excitement and challenge and negative feelings like unfulfilled desire and frustration. The moral evaluation of this package is normally mixed; at least not completely negative. For security, its being in demand is an expression on the part of consumers of experiences of insecurity; that is, of obstacles to the exercise of their capacity for agency. Whether the market can be faulted for this failure depends on the actual level of demand in the market. If market demand is a response to – and proportional to – actually existing levels of crime there is no ground for objection. The market (or any other mode of security provision) cannot be faulted for responding to a demand for security services that emerges as a consequence of developments that are outside of its sphere of influence. However, the market is objectionable if it causes subjective insecurity to be higher than is justified compared to crime levels.16 Given security providers’ interest in such an “overproduction” of feelings of anxiety, security markets may be expected to overproduce. The active promotion of security measures tends to create a level of demand higher than the demand that would prevail when the information delivered to consumers would be unbiased by commercial interests.17

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16] Too low levels of subjective insecurity are also problematic (Zedner 2003, 157). Therefore, an objection against preference manipulation of the subjective kind can only be valid in as far as it targets unwarranted levels of anxiety, as measured against the actually obtaining objective security situation.

17] State provision is potentially subject to the same dynamic of overproduction. Insofar as citizens
These remarks in themselves do not lead to one firm conclusion. If the tendency to overproduce is particularly strong, one may want to forbid additional security markets. But my estimate is that this tendency can be sufficiently held in check if the market is adequately regulated. Thus, I will include regulation of this aspect amongst the conditions for a legitimate additional security market (section VI). But first, I will now consider whether the two main arguments for public provision leave space at all for the establishment of such an additional security market.

IV. THE CORRECTIVE JUSTICE ARGUMENT IN FAVOUR OF STATE PROVISION

We have already seen, in section II, how the unjustifiable violence practiced on pure security markets led to the conclusion that state provision is necessary. The argument from corrective justice maintains that only state security has enough incentives to do what security provision should do: to uphold a sufficiently safe social order by prosecuting and punishing those who have breached that order by violating against the laws. In other words, security aims at doing (corrective) justice and only the representative of the social order – the state – is able to uphold justice against its actual violators.

If this is true, however, it does pose problems for the current rise of private security. Indeed, many have argued that additional private security will tend to frustrate justice because it transforms security into a species of “risk management” which tends purposefully (though not necessarily malignly) to neglect justice: “Its ultimate goal is not prosecution, conviction or punishment, still less upholding the normative superstructure that is the criminal law. Rather, it aims at protecting property and reducing risk.” (Zedner 2006, 270) Private security and public security, according to this argument, obey different logics (Bayley and Shearing 1996, 592; Johnston and Shearing 2003, 16). Private security has a “client-defined mandate” and is not interested in upholding the law against violations, but in preventing unwelcome events from happening. It tends to deal with offenders internally instead of handing them over to the official judicial system. Sanctions have a private character (e.g. firing employees, denying access to resources) rather than a legal character. The state’s security effort is directed at “governing the past” (redressing offenses), while risk-based private security emphasizes “governing the future” (preventing offenses) (Johnston and Shearing 2003, 95). Inevitably, then, the influence of private security is at the expense of justice. In the interest of justice, private security should be marginalized or even completely prohibited (Shearing and Stenning 1983, 499-502).

If these observations are correct, one may be led to the conclusion that the state should be the exclusive provider of security. However, in this section I want to argue that
the picture arising from the strong opposition between public efforts to do “justice” and private companies focusing on “risk management” is unconvincing. The crucial point is that the police have always been engaged in the dual task of both prevention (guarding, patrolling, etc.) and repression (prosecution). It is not surprising, then, that the new techniques of “risk management” invented and implemented by the private security industry, have also found their way to the public police (Johnston and Shearing 2003, 17 and 81). The difference between private and public security is better described by saying that the former is exclusively in the business of prevention while the latter is engaged in both prevention and repression. The problem with private security, then, is that it competes with the preventive activities of the police, while it is at the same time reluctant to take up the connected repressive activities, i.e. to act upon crimes committed in the spaces that it controls. Insofar as the argument from justice objects to this, however, it builds on the tacit suggestion that if only the police would have the monopoly on both activities, these problems would vanish. The power of this suggestion in turn is reinforced by a historical account in which the police first had such monopoly and then lost it to the detriment of commercial security providers. However, a brief excursion into the debate about the causes of the rise of private security discredits this historical account.

There have been two dominant explanations for the rise of private security (Van Steden 2007, 35 ff). The first is the so-called “mass private property” thesis, which holds that private security spread its wings in areas that have a public function but are nonetheless privately owned (shopping malls, residential areas, theme parks etc). Owners of such mass property have preferred not to rely on the police but to hire private security (Shearing and Stenning 1983, 496). The other dominant explanation for the rise of private security is the “fiscal constraints” thesis. This thesis holds that due to fiscal crises in the 1970s and onward, the public sector has been unable to expand to keep pace with the rising demand in crime protection (Spitzer and Scull 1977, 24-25). The two explanations can run in tandem. Together, they provide the image of a state that gradually retreated from providing security for all and gave way to other, notably commercial, actors – for financial reasons and because of a transformation in the structure of large-scale property. These explanations have been challenged, however, by research from Trevor Jones and Tim Newburn, who argue that the transformation from public space (with public policing) into private space (with private policing) is minor compared to another development, namely the “formalization of social control.”

More significant however has been the emergence of a variety of types of “hybrid space” and the formalisation of security arrangements on such sites. This process of formalisation came about partly as a result of changes in the nature of the security problems experienced in such places (schools, hospitals, parks). However, it would be wrong to assume that the increasing visibility of private security on such sites represented a move from public to private policing. Rather, in most cases this was indeed a formalisation of security arrangements involving the replacement of staff.

such as caretakers, wardens, and park keepers by uniformed security guards. In most cases the presence of the public police on such sites would always have been unusual. (1998, 169)

In their view the explanation for the rise of private security begins with the decline in employment (due to labor-saving technologies) in occupations that did not include social control as primary task, but in which such control was practiced as a natural byproduct of their professional roles (Jones and Newburn 2002, 140-41). What actually happened was not so much a decline of the state, but a change in the internal composition of the non-state part of security provision: from informal provision by professionals employed for other reasons, to market provision by commercial companies. From this perspective, recent efforts by the public police to share the burden of security with “civil society” also make more sense. Using “responsibilization strategies,” state actors have begun to press individuals, local communities, corporations and others to assume more responsibility for their own security situation and to implement preventive measures. Jones and Newburn make clear that these efforts can build on a long tradition of shared responsibility for security between state and non-state agents. Moreover, their explanation shows that community uptake of the ‘responsibilizing’ effort by the public authorities has not been symmetrical. New community-based initiatives (such as neighborhood watch schemes of patrolling citizens) have not been absent but commercial solutions dominate the scene.

As this historical digression shows, the police never did have a monopoly on preventive activities and it is not foreseeable that it will ever have such monopoly. The consequences of the increasing role of commercial agents for the argument from justice are ambivalent: these consequences depend on the extent to which commercial agencies are more (or less) reluctant to cooperate with the police in prosecuting offenses in the name of justice than are members from informal communities. This is a rather different conclusion than the notion of unequivocal loss of justice-related concerns that is lamented from the perspective based on the decline of an original state monopoly. Moreover, the state monopoly appears not only historically disputable but also normatively undesirable. For if both preventive and repressive security measures would be the sole responsibility of the state, a quasi-totalitarian permanent intrusion of the police into daily life would be required. Cooperation with individuals and groups that “keep an eye on each other” and inform the police in cases of crime become indispensable if we want to avoid that kind of dystopian state. Of course the leeway that such cooperation gives to civil society may provoke the danger of self-serving injustices of some citizens against others; but this seems the lesser price to pay. The alternative is as unfeasible as it is undesirable. I will get back to cooperation as a condition for the co-existence of market and state security later (section VI). But first, let us turn to the other major argument for public provision.

19] Their criticism is largely acknowledged by a group of writers who try to reformulate the mass private property thesis so as to take account of it. See Kempa, Stenning, and Wood 2004.

VI. THE COMMUNITARIAN ARGUMENT IN FAVOUR OF STATE PROVISION

The second argument in favor of state provision is what I will call the communitarian argument. It is prominently advanced by Ian Loader and Neil Walker. They defend that security should be understood as a public good in a “thick, sociological sense” (not to be confused with the economic public good argument mentioned in section II. The provision of security has a constitutive function in the constitution of “the social” or “the community.”

According to Loader and Walker, stable communities have importance for their members for two sets of reasons. There are instrumental reasons, which refer to the community’s power to solve collective action problems. In addition there are affective reasons, which refer to the importance of the community in the consolidation of a social sense of self. An appeal to instrumental reasons is usually not enough to sustain a community. An affective “glue” is necessary to overcome individuals’ “ambivalence about collective commitment” because of reasons of “short-term self-interest, poor information and low trust” (Loader and Walker 2006, 190). This glue is created through a sense of “common purpose,” in turn created by a concrete commitment to a set of shared goods. Language and territory are often-mentioned examples of such shared goods, and arguably the collective provision of security is also one of them. Security is “so pivotal to the very purpose of community that at the level of self-identification it helps to construct and sustain our ‘we feeling’ – our sense of ‘common publicness’.” (Loader and Walker 2006, 191)

According to this conception the form in which security should be provided is as an indivisible good, i.e. a good not separated into discrete units (as market goods typically are) but delivered to all persons indiscriminately and simultaneously. Security as public good provides a common pool, to which citizens have free and open access. Essentially they can all draw from it in as far as they need it. If security is provided in this way, the motivational conditions are different from those pertaining when security is a commodity. Beneficiaries of public security provision are put in relations of citizenship toward one another. Exactly the opposite would happen in markets, where, as Steven Spitzer argued, “[t]he search for security through commodities – like the search for other forms of fulfillment within the commodity system – becomes a fundamentally ‘alienating’ experience in its own right. Instead of bringing us closer together and strengthening the bonds of community and society, the security commodity becomes a means of setting us apart.” (Spitzer 1987, 50)

I would like to make two observations with respect to this argument. First, my labeling it as ‘communitarian’ should not be taken in an anti-liberal sense. Indeed, the argument is complementary to the argument normally raised in favor of liberal nationalism. The liberal nationalist idea, as expressed for example by David Miller, is that when citizens...
feel they share a collective identity, they are much more willing to trust each other and the state, which makes it easier to deliver public goods as well as institute redistributive schemes (Miller 1995, 91-94). Interestingly, Loader and Walker’s argument reverses the order: to be able to form a community in which we mutually trust each other, we need certain public goods which give substance to our being together in one community.22 Taken together, we seem to be faced with the threat of circularity, where it is unclear whether the causal link runs from public goods provision to mutual trust and collective identity or vice versa. This is reason for some caution, but not, I think, enough to dispense with the argument altogether.

Second, the communitarian argument is bound up with egalitarian provision. If the police would explicitly and consistently favor some groups over others in its activities, it is likely that the “affective glue” that security provision is to bring to its citizens will not become available. Security then will not be experienced as a shared good upon which the trust that other opportunities for collective action are feasible can develop. Remember that I took as my normative starting point each individual’s basic level of security (see section II). The problem here is that – whatever level is chosen as the basic one – the distributive question is still open whether this will be available to each person as a minimum level or as an equal level. The second option is more stringent, while the first option allows for individual variations in security levels above the minimum. The communitarian argument may seem to imply that security should be provided in equal proportion to all without allowing opportunities for realizing more than the basic level; but is that really the case?

Two challenges potentially undermine the practical realization of a strictly equal level of security for all. First, security as a public good provokes an instance of the infamous “tragedy of the commons” problem. Free access may lead to overconsumption and congestion. For public policing this has proven to be a non-negligible problem:

Over recent years, demands upon police time have grown significantly. Consequently, police forces around the country are routinely required to ration response by screening out what might be regarded by many members of the public as serious crimes. This is a form of exclusion from the public good of a police response, whether it is by the decision of a call-handler on the basis of information against criteria set or through the exercise of discretion by a police officer. Like many forms of exclusion it can be self-perpetuating. The experience of a lack of, or an inadequate, response by the police to a call or request by a member of the public may mean that the individual concerned might not call upon the police on a future occasion. (Crawford 2006, 119-20)

The kind of rationing to which the police is forced requires great effort to prevent that some individuals, groups, companies or interests are systematically advantaged above others. It also gives rise to another exclusionary tendency, namely that the police

22] A similar argument is made by Jonathan Wolff when he discusses the rationale of welfare state services being sheltered from the market. See Wolff 2004.
start charging fees to some users for their services (one may wonder whether that is still public provision or rather market provision by public providers). Both rationing and charging fees undermine the commitment to equal provision.

A second challenge is that, however high the level is set that is provided equally to all, some individuals or groups will start providing a surplus amount of security for themselves. These groups may complain that the public good conception presents too monolithic an understanding of “community.” Undoubtedly, it is useful that a public be constituted at the highest possible level of inclusion (normally the nation state). But this does not render obsolete the specific need of sub-national communities to have shared goods that symbolize and reinforce the social basis of their constitution. Why could additional security markets not contribute to the constitution of such lower-level communities? (in economic terms, this part of security would then be a “club good”). This is what actually happens in the case of the so-called “gated communities,” which are at least partly based on the desire to find a sense of community not available in many other neighborhoods. Proponents may claim that a minimum level of shared security provision is sufficient to provide the affective glue sought for the whole community; an equal level is unnecessary. Why not have such a minimum level provided by the public police, while allowing citizens to purchase additional security and found lower-level communities as they choose to?

These two challenges show that the state, when it wants to be the exclusive provider of security, will have to carry two burdens. First, it will have to be internally effective in taking care that its police is sufficiently staffed to respond to all reasonable demands and is not captured by some groups to the detriment of others. Second, it will have to be externally coercive in prohibiting lower-level communities to engage in their own forms of security provision. While it may be argued that the first burden is something we have to accept, this is different for the second one. The main reason we have already encountered in the previous section: it is as unfeasible as it is undesirable to prevent individuals and communities from engaging in efforts to enhance their own security. In the previous section, this led us to pose a condition of adequate cooperation between state and private security providers. Here the focus is on equality. Additional security efforts by private parties violate strict equality. This too leads to a condition upon the co-existence of market and state. As I will argue in the final section, if such an inequality needs to be tolerated, toleration has limits of its own.

VII. CONDITIONS FOR A LEGITIMATE CO-EXISTENCE OF STATE AND MARKET SECURITY

Two conclusions emerge. First, there are good reasons to make security a primary state responsibility: the state should deliver a minimum level of security that is adequate to realize the morally required part of the capability to be secure. To this end, the discussion

23] The movement to live in gated communities is inspired both by a positive desire for community and by fears of insecurity about the outside environment. See Blakely and Snyder 1999.
of the communitarian argument showed that security is vital to the constitution of the community in the sense of the most-inclusive public conceivable (currently the nation state). The discussion of the argument from justice showed the pivotal role of the state in realizing the combination of preventive and repressive efforts that is necessary for successful security provision. Second, however, the discussion of both arguments also provides reasons for a claim against pure state provision. From the discussion of the communitarian argument emerged a claim on the part of lower-level communities that they are allowed to engage in additional security provision, after the state has fulfilled a minimum level for all. The discussion of the argument from justice showed that such room would anyway be there for these local communities – unless the idea of a state monopoly is taken to its extreme (quasi-totalitarian) conclusions.

Overall, then, this means that the state cannot provide more than a minimum level of security to its citizens. To be sure, that level is not necessarily minimalist; it can be quite generous. On the other hand, non-state agents may always want to go further and provide extra security for themselves – and the state has no basis to deny these other agents their efforts. An “institutional pluralism” of security providers is thus the most appropriate security landscape. Nonetheless, it has problems of its own. For an additional market in security to co-exist with the state’s central role in providing a minimum level of security for everyone, several conditions need to be met. I will discuss the three most important ones in this section.

A first condition is adequate regulation of the market (relating to the objections discussed in the second and third section). An additional market would need publicly established controls so that attempts by security firms to practice extortion and stimulate criminal activities are declared illegal and effectively combated. Although it is hard to declare the manipulation of consumer perceptions of crime illegal (given the legitimate scope of free expression that market agents have), here too the state should discourage these practices and hold the market’s worst excesses in check. I will not discuss these matters in any detail here. Suffice it to say that the difficulties in regulating the market should not be underestimated, but they are probably not so insurmountable as to justify prohibition of an additional market.

The second condition is cooperation (already briefly mentioned in the fourth section). Private security firms are required to cooperate in law enforcement, even if that is not in their immediate interest and to do so without transgressing their restricted legal powers. If they fail to do so, both these firms and the state will be faulted for failing to uphold

24] The exact determination of the minimum level to be provided by the state is dependent, theoretically, on what is needed for guaranteeing the absence of impediments to the exercise of the capacity for agency in a given society, and practically, on the constraints in resources available to realize this. While this would define a morally required minimal level, a democratic decision to provide a more generous level is morally permissible as well.

elementary exigencies of justice – which might ultimately have effects on the legitimacy of having a system of shared responsibility. It is questionable whether and to what extent private and public police forces have so far been able to meet this condition. Some hold that the relations between public police and private security companies are mainly cooperative. From this perspective the private security industry is often described as a “junior partner” carrying out tasks adjunct to the – larger and overarching – tasks of the public police (Shearing 1992, 411). Others maintain that competition, hostility, “mutual suspicion and avoidance” are dominant (Johnston 1992, 194). Still others argue that there is neither much cooperation nor much competition; rather, both operate in independent spheres in a relation of “benign coexistence” (Jones and Newburn 1998, 169 ff). No matter which of these empirical judgments is correct, a stable and legitimate co-existence of private and public security arrangements requires successful cooperation.26

The third condition is a balance between both forms of security that does not undermine the minimum level provided by the state (relating to the matters discussed in the fifth section). While additional security efforts by lower-level communities should be permitted, opportunities for the erosion of the state-provided minimum level delivered to all citizens must be effectively counteracted. Since normatively this is probably the most delicate condition, let me spend the remainder of this section on it.

One danger is that members of lower-level communities try to evade their contributions to state security. The basis for state security is weakened as soon as particular groups in society no longer profit – or perceive that they no longer profit – from it and start to request exemptions from their obligation to contribute (tax deductions).27 This is probably the most sensitive issue in public opinion, connected as it is with the rise of “gated communities” in the US, but also in many other countries like Brazil, South Africa, etc. It is no coincidence that this issue is linked to the presence of physically segregated territories. In such territories the complementary relationship of private and public security forces is distorted in a way that it is not for other territories. Compare a typical gated community to a typical shopping mall. While commercial firms may do actual policing for both territories, these will still regularly have to cooperate with public police forces in the shopping mall, while contacts with the public police may be minimal for the gated community. The difference lies in the fact that the shopping mall is publicly accessible while the gated community is not. The latter therefore upholds justice simply by physically excluding possibilities for violations. This difference demarcates the point at which non-state efforts in security provision become exclusionary, rather than additional to state efforts; in other words, where the establishment of lower-scale communities is to the detriment of support for the national community.

26] Empirically, there is no agreement whether such cooperation is achievable or has been achieved. For an optimistic view, see Stenning 2000 For a pessimistic view see Zedner 2006. To make matters even more complex, some forms of effective cooperation are objectionable in their own right. See Hoogenboom 1991

27] For a discussion of residents from gated communities claiming tax exemption because of their private payments to security personnel, see Stark 1998.
While this danger concerns the basis for the input (the funds for state provision), a second danger relates to the output. Even if everybody continues to contribute to state security, it might still be the case that if too large a proportion of security provision is not state based, the basic level of security to be delivered by the state is undermined. One reason is that consumption of security may have a positional aspect: insofar as extra (market-based) security provision to neighborhood A makes neighborhood B automatically more insecure. The latter’s lower level of protection makes it a more attractive target for those who want to commit crimes. In other words, security consumption by A has a negative external effect on B (Gambetta 1993, 30). This kind of interdependence is normally taken to support an argument for providing security as an indivisible good. However, as we saw, even when provided as a public good, security can structurally advantage some individuals or groups over others when some groups are more active in attracting attention from the public police than others – they capture the public service. It may also happen, as in the case of gated communities, when some are able to shelter themselves effectively from their external living or working environment. In either case, differential security efforts directed to A and B cause structural inequalities between these neighborhoods:

Security clubs can, and often have, deleterious implications for state policing as a public good, as well as for the experience of public places. This occurs both through residualization of policing as a congested resource and the segmentation of security risks, as good risks are increasingly policed through additional auspices and bad risks policed by a residual public services. Powerful and exclusive clubs can capture and exploit publicly provided resources. (Crawford 2006, 136)

These inequalities may lead to B falling below the minimum level that the state ought to deliver. That may seem surprising: for if private security takes care of security in A, one would expect the public police to actually have more resources for policing B. However, two developments may counteract this, the first of which we just encountered: a potential pressure by A’s inhabitants to press for tax exemptions for public policing in B. A second reason is that the rise in crime for B may be more important than the additionally available resources to combat this. Whether crime will rise for B (and to what extent) depends upon the question whether there is a “fixed proportion of crime” which is either occurring in A or in B or in both neighborhoods combined (A and B then are merely communicating vessels); or whether security provision is capable of actually having a deterring effect on the motivation to commit crime.

In the end, then, the stability of institutional pluralism for security services depends on the extent to which such inequalities in security provision are prevented from arising. This may require denying private initiatives their legitimacy; not because the wish to secure oneself (over and above what the public police provide) is illegitimate in itself; but because of its detrimental effects on the overall security predicament for all citizens. It is difficult to say in general at what point the balance tips and effects of private security become detrimental to publicly delivered security. A community eager to guarantee a minimum level of security for all citizens will have to decide on an adequate definition
of the minimum level, try to realize it in practice and then carefully monitor whether some groups or individuals risk falling below it on a structural basis. These tasks require practical judgments; judgments which can always be disputed. Security will therefore with certainty remain a permanent item on any community’s political agenda.

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