The Public Accountability of Private Police

Lessons from New York, Johannesburg, and Mexico City

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Introduction

The growing privatization of police services is a global phenomenon. It was first widely noted in the United States in a 1972 Rand Corporation study commissioned by the National Institute of Justice. Several years later, Stenning and Shearing observed that a "quiet revolution" toward private policing had occurred in Canada. South documented a similar trend in both western and eastern European countries. And an update of the original Rand assessment in 1985 concluded that private security outspent public law enforcement by 73 percent and employed two and a half times as many people.[1]

There are at least three reasons for the dramatic increase. First, in both post-industrial and developing nations, there has been an increase in what Stenning and Shearing call "mass private property": shopping malls and gated communities. These spaces have traditionally fallen outside of the domain of public police, although this is now changing. Second, the fear of crime among those with property has grown faster than government's willingness to spend more money on police protection. In many countries, this fear of crime among the propertied classes was intensified by the transition from authoritarian to democratic rule. Third, private police forces have often placed a higher priority on visible patrol than public police, hoping to deter crime through their presence.

The growth of private policing appears to have several benefits. At least one scholar has suggested that there may be a link between the growth of private policing in the United States and the decline in crime rates in the 1990s.[2] It is also possible that competition with private police has spurred public police to improve their services. Certainly the threat of competition from private policing was one of the factors cited explicitly by the early proponents of community policing in the United States. Other police officials have argued that the presence of private security patrols frees up public police to engage in more specialized crime-fighting activities.

But police experts have expressed reservations about privatization as well. Some object on social justice grounds that private policing will further divide nations into two camps: the wealthy, who can afford to insulate themselves from crime by hiring private police, and the poor, who must rely on the more limited services of the public police.[3] South makes an extreme version of this argument, predicting that the crimes prevented by private police might actually be displaced onto the poorer sections of the population, unable to afford similar protection.[4]

Some also fear that private policing has blurred traditional boundaries between public and private space. Stark notes that private communities and businesses have begun to invite public police onto their property and ask them to enforce petty infractions of public law that would

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[1] J. Kakalik and S. Wildhorn (1971); P. Stenning and C. Shearing (1980); N. South (1994); W. Cunningham and T. Taylor (1985). See Bibliography for complete citations.

[2] David Bayley, personal communication.

[3] M. Chaiken and J. Chaiken (1987); P. Wilson, D. Keough, and R. Lincoln (1994).

[4] N. South (1994).

normally not concern them. For example, private communities in Florida, California, New Jersey, Illinois, Maryland, and Virginia contract with public police to come into their enclaves to enforce traffic laws that previously applied only to public streets. In several of these states, the public picks up the tab for such services. Stark also notes that the traditional notion of private police as providing peripheral security services is changing as well. In gated communities across the country, security forces are privately hired and controlled but officers are granted core police powers of arrest, search, and seizure by the courts.[5]

The lack of public accountability of private police is a third area of concern.[6] As early as 1971 Scott and McPherson worried that private policing might infringe upon civil liberties with impunity.[7] Formal and familiar mechanisms exist around the world to hold public police accountable for their actions, but accountability mechanisms for private police are less well understood and often emanate from private rather than public institutions. In many cases, the state has little power or incentive to hold private police accountable.[8] Stenning, however, believes that the inadequate accountability of private police has been overstated; marketplace competition, consumer pressures, demands of organized labor, and potential civil liability, he argues, compensate for lesser state regulation and oversight.[9]

This paper looks at how private police are actually held accountable through a set of three case studies drawn from different countries. The literature on private policing is remarkably uninformed by empirical data, although a few works have investigated the scope of private policing through interviews with people working in the industry.[10] One study interviewed residents and officers in a New York community protected by a private security force.[11] By and large, however, debates about private policing have been conducted without firsthand knowledge of how private police actually spend their time, and how they are perceived not only by the people they are hired to protect and but also by those who are the focus of enforcement actions. It is our hope that the case studies will help to fill this gap in the literature.

Models of Public and Private Policing

The term "private policing" connotes a wide array of protective service arrangements. As examples of private policing, some writers have discussed union strikebreakers, industrial intelligence gatherers, missing persons investigators, and meter maids.[12] Our focus will be on the privatization of staple police services such as surveillance and enforcement as defined by the

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[5] A. Stark (1999).

[6] P.E. Fixler and R.W. Poole (1992); N. South (1994).

[7] T.M. Scott and M. McPherson (1971).

[8] R. Sarre (1994).

[9] P. Stenning (1992).

[10] J. Kakalik and S. Wildhorn (1971); M. Chaiken and J. Chaiken (1987); W. Cunningham and T. Taylor (1985); A.J. Reiss (1988).

[11] W.F. Walsh, E.J. Donovan, and J.F. McNicholas (1992).

[12] N. South (1994); M. Zielinski (1999).

matrix in Figure 1. The matrix crosses type of police officer (public or private) with the type of space that is being protected (public or private). Model A (private space/private police) is the most common form of private policing. It encompasses malls, businesses, college campuses, and private residential communities—mass private property—that hire their own security force. The greater public uses these areas, but there is no public right of way and they do not clearly fall within the authority of the public police.

Figure 1:
Public/Private Police Matrix

Type of police

		Private	Public
Type of space	Private	A	B
	Public	C	D

Model B (private space/public police) includes a diverse collection of practices. These range from malls that provide public police with an equipped ministation on the premises in exchange for security services, to stadiums or privately organized parades that make a contribution to municipalities for police overtime pay, to departmental policies that allow police officers to work for private employers after hours with uniforms and weapons. In some cases, police departments even act as employment offices, pairing up officers with interested private employers.

Model C (public space/private police) includes mostly business improvement districts (BIDs), in which local property owners are taxed for the purpose (among others) of hiring private patrol officers. These officers supplement the activities of the public police and, in some instances, share the same training programs and offices. In a more extreme example of this model, several U.S. municipalities have in the past contracted with a private security firm for all police services.[13]

The final cell (public space/public police), Model D, normally falls outside the scope of private policing; it is traditional policing. Some experts, however, have discussed variations of this model in which special assessments are levied on businesses to increase the commitment of public police to certain public areas. For example, New York City opened a new police substation in the Wall Street financial area paid for, in part, with funds provided by a local business group. Our work does not include this type of program since it does not raise accountability issues to the same degree as the other three models.

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[13] D. O'Leary (1994).

Mechanisms of Police Accountability

In modern democracies, public police forces (public space/public police) are accountable in different ways to a variety of groups, which include governors, legislatures, city managers, mayors, citizen complaint review boards, ombudsmen, the courts, special governmental commissions, the media, and even in some cases to community organizations. They are also accountable internally through the command structure and internal integrity units. One framework for understanding the various ways in which the public police are held accountable groups these lines of accountability into three categories of control over police behavior. Internal control includes training, behavioral policies, administrative oversight, and investigative or integrity units. State control includes oversight by city managers, criminal prosecution, citizen complaint review boards, special commissions or legislative committees, and statutes regarding police qualifications and training. Social control includes civil liability suits and oversight by media, community organizations, and human rights monitors.[14]

Applying this taxonomy to our analysis of accountability of private police it is immediately clear that private police are subject to additional controls beyond those that affect public police. First and foremost, private police are accountable to their clients, such as businesses or property owners.[15] Public police are accountable to the community as a whole through governmental structures. Further, private police may be accountable to trade associations through regulations or industry standards for employee qualifications or training.[16] Security organizations that do not conform to industry standards may lose their membership in the trade organization and have their license revoked (Figure 2).

Many of the most common checks on the behavior of public police in public spaces do not apply to private police. The private policing model most similar to public policing in terms of accountability is public police providing security in private spaces (Model B). In this case, public police working privately in uniform may be subject to police department behavior codes and oversight by police administrators or integrity units. They may also be subject to the same governmental controls to which they are subject in their regular employment.[17] On the other hand, private security applications in private or public spaces (Models A and C, respectively) are accountable primarily internally within their organizations and accountable to trade associations. Like public police working in public spaces, private police are subject to criminal prosecutions or lawsuits by aggrieved individuals. On the other hand, for all forms of private policing media attention or attention by human rights organizations is unlikely (unless an officer commits an especially egregious act). Community organizations are likely to play a significant watchdog role only if they happen to be the client of the private policing service.

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[14] C. Stone and H. Ward (1998).

[15] R. Sarre (1994).

[16] P. Stenning (1992).

[17] A.J. Reiss (1988).

Figure 2:
Accountability Sources for Public and Private Police

	Model A Private police/ private space	**Model B** Public police/ private space	**Model C** Private police/ public space	**Model D** Public police/ public space
Internal control Training Behavioral policies Administrative oversight Integrity units	High applicability	High applicability	High applicability	High applicability
State control City managers Criminal prosecution Complaint review boards Special commissions Qualification/ training laws	Limited applicability	High applicability	Limited applicability	High applicability
Social control Civil liability suits Media oversight Community groups Human rights monitors	Some applicability	High applicability	Some applicability	High applicability
Client control Oversight committee Ability to fire security company	High applicability	Not applicable	High applicability	Not applicable
Trade association control Regulation/licensing Qualification/training rules	High applicability	Not applicable	High applicability	Not applicable

The most important question is how well the various forms of accountability work in practice in the case of private police. Does accountability to a private client or trade association act as a sufficient substitute for governmental and social controls, which have far less relevance for private police than for public police? It is also clear that we do not know from the literature the extent to which the behavior of private police is constrained by community groups, criminal prosecutions, civil suits, or the media. These are some of the areas that the case studies were designed to explore.

The Case Studies: New York, Johannesburg, and Mexico City
We chose our case studies to represent three of the models of private policing defined in Figure 1. Rob Davis and Sarah Dadush provide a case study in which private police operate in a public space in Brooklyn, New York. They profile the only private security officers in a New York City business improvement district who have the power to detain and arrest suspected lawbreakers. Jenny Irish describes an unusual example of private police securing private spaces. Her case study focuses on a company in Johannesburg that provides an armed-response service; private security officers armed with nine-millimeter pistols and bulletproof vests patrol the neighborhood and respond to burglar alarms. Arturo Alvarado and Diane Davis discuss the banking police in Mexico's Federal District, an application of public police in a private space. Police guarding the interiors of privately owned banks in Mexico City traditionally have been assigned to the duty by various public police agencies. Taxes levied on the banks pay for the officers' salaries.

The researchers interviewed managers of the private police, private security officers, local public police administrators, and clients (such as housing residents, property owners, and business executives). In addition, the researchers assessed legislation authorizing and empowering private security officers in their work, and searched local print media to determine whether the private security service had been written about by journalists.

Each of the case studies contains information on the history of the private security force, nature of the private policing organization, kinds of services performed, and the legislative context. Our main focus, however, is accountability: How are private police actually held accountable for effectiveness and misconduct? What criteria are used to assess the effectiveness of private police? Are there incentives for superior performance? The authors explore the nature of internal monitoring and disciplinary structures, media coverage of the security service, civil and criminal actions filed against private police officers, the role of the public police in monitoring misconduct among private police, and the role of trade associations in setting and overseeing performance standards. It is our hope that these case studies will contribute to understanding an important shift in the way communities are policed, and how these new forms can be brought into the general framework of policing in democracies.

Balancing public and private accountability: the MetroTech business improvement district

By Robert C. Davis and Sarah Dadush

Introduction

A business improvement district (BID) is a nonprofit private-public corporation established when property owners within a defined geographical area agree to levy an additional assessment on their property. In this way BID members generate a supplemental pool of money that is then used to promote business and economic development. There are 41 BIDs located in New York City, and over one thousand across the United States. They vary in size and budget, as well as in the type of neighborhood they serve. They are usually established, however, in areas where property values have declined or are threatened.[18]

BIDs generally try to make their districts more attractive to customers and employees. Organizers promote them as a way for property owners to engage in a form of self-government and guarantee that their needs and priorities are addressed. Accordingly, each BID has its own focus. Some BIDs invest mainly in sanitation, others in capital improvements. For the MetroTech Area BID (MetroTech) in downtown Brooklyn, New York, the subject of our case study, public safety is the principal concern.

A major component of MetroTech's work is to provide private security and sanitation services, supplementing the same services provided by the city. The most important job of security and sanitation workers is to reduce signs of physical and social disorder by keeping the streets well-maintained and regulating the behavior of people who pass through the BID area. BID safety officers have the power of arrest but do not carry firearms.

Our conclusions about MetroTech and its safety program are based on informal interviews with the BID president and vice president, the director and assistant director of public safety, and 15 MetroTech officers. In addition, we interviewed several MetroTech BID board members, New York City Police Department commanders who work with the MetroTech BID, a community board representative, and staff of local homeless shelters. We also conducted informal interviews with 15 storeowners and managers to hear their assessment of MetroTech's work. The stores were all small businesses, including a card shop, pizza parlor, jeweler, clothing store, and copy shop. Finally, we spent time on patrol with MetroTech officers to observe firsthand how they face challenges of their job.

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[18] Tony Travers and Jeroen Weimar, "Business Improvement Districts: New York and London," The Greater London Group, London School of Economics and Political Science, September 1996.

Background

Using the city's tax collection powers, a business improvement district is permitted to assess its property above what the city normally would tax. As a result, BID members, who are mostly property owners, are able to secure a reliable and steady stream of funding to pay for such services as security, sanitation, promotional events, and construction. Failure to pay the BID assessment results in penalties levied by the city. By law the additional assessment (which is based on square footage) is not imposed on residential property, although owners of residential property sometimes pay a minimal annual sum of one dollar. Government agencies are also exempt from this additional assessment, as are nonprofits. The latter often provide in-kind services such as training or computers.

Encouraging the formation of BIDs serves a strategic purpose for city governments: the private sector can be motivated and directed to contribute to their wider, public goals, such as safer and cleaner streets. These efforts, in turn, can lead to greater economic growth. Large corporations may choose to stay in urban neighborhoods rather than move out to the suburbs, keeping capital in the city and maintaining a larger tax base for public works.

Though BIDs exert some private control over areas that have traditionally been administered by public government agencies, the legislation surrounding their establishment in no way intimates that BID services are intended to replace city services. Representatives from the NYC Department of Business Services, which ensures that BIDs uphold their contracts, resist the notion that BIDs represent a privatization of existing city services. They explain that BIDs are mechanisms through which private funds are harnessed to provide additional services: the duties of MetroTech's public safety officers for instance, encompass a broader set of responsibilities than regular private security guards or police officers, including escorting employees to the subway late at night, spotting damage to sidewalk benches or street lights, and giving directions. In our interview with representatives from DBS, we learned that New York City is contractually committed to ensuring that where BIDs provide such services as street sweeping or trash collection, there will be no reduction in the city's provision of that service. BIDs sometimes coordinate their operations with the city's. For example, sometimes police and BID safety officers share facilities, and a number of BIDs employ ex-police officers to oversee their security services.[19] But on the whole, both parties prefer to keep their services separate.[20]

BIDs are subject to a significant degree of public oversight. They need government approval for their budgeting decisions, including the setting of the assessment rate. BIDs must also continue to demonstrate to government that their operations are needed in order

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[19] "Business Improvement Districts: New York and London."
[20] ibid.

to expand or maintain funding. In New York City, each BID signs a five-year contract with the city through the Department of Business Services (DBS). The periodic renewal serves as another accountability mechanism, since the decision depends on performance evaluations conducted by DBS. New York BIDs also develop policy guidelines for operation that must be approved by the Department of Business Services and the City Council.

BIDs in New York are established in accordance with state and city legislation. The initial decision to form a BID can come from property owners, local merchants, larger corporations and business leaders, local development corporations, a chamber of commerce, a community board, or an elected official. The sponsors must then gain the approval of the property owners in the proposed district.[21] Once a BID is established, it is run by a district management association (often staffed by ex-government employees), a nonprofit corporation responsible for carrying out the day-to-day operation of a BID and for performing the services outlined in a BID's district plan. Its actions are overseen by a board of directors composed of a minimum of 13 elected voting members, including at least seven commercial property owners and one residential property owner; four voting representatives from the offices of the city council, the city comptroller, the borough president and the mayor; and one non-voting member from the local community board.

The Department of Business Services oversees the approval process, including the sponsoring party's local outreach campaign. Through outreach activities, which must be documented, the sponsor must make all property owners, commercial tenants, residents, and elected officials within the proposed BID area aware of the proposal and encourage their participation in planning.

The BID system does have critics, however. As private entities take on the task of remodeling and maintaining public spaces, concern about the overall accountability of each BID is increasing. Critics worry that private interests do not always parallel those of the general public. They are concerned that the growth of BIDs reflects favoritism by the city toward certain interests shared by private businesses in the area. For instance, critics believe that city officials encourage the formation of BIDs because they favor the interests of property owners over those of others living in or passing through a neighborhood. These critics point out that while it is in the public interest to have cleaner sidewalks in order to attract more customers to the local shops, the BIDs may not be concerned with equal treatment of members of the public who may not be potential customers, such as the homeless.

In 1995, New York City's finance committee released a report indicating that most BIDs had failed to implement an adequate complaint-resolution process. The report found that 85 percent of BIDs resolved complaints informally, without compiling written

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[21] Critics have focused on the way support for establishing BIDs is measured. Approval is based not on the level of support the proposal receives but on the level of opposition. To prevent approval, more than half of the property owners or the owners of more than half of the assessed property value must oppose the BID.

documentation. This appears to remain true: when people file a complaint against a BID, they simply present it to someone at the central office of the district management association. Theoretically, the association then brings the complaints to the attention of the board of directors. But, as the report says, if there is no documentation, the board may not be aware of pending lawsuits. Such was the case of the Fifth Avenue BID in 1994.

The MetroTech Area BID

Downtown Brooklyn was designated an urban renewal site in the mid-1980s by New York City. The area was primarily commercial, containing mostly small "mom and pop" stores. There were 16 acres of empty buildings and warehouses, abandoned lots, and tenement houses, as well as car washes and parking lots. The area was also home to three universities (Polytechnic University, New York Technical College, and the Brooklyn campus of Long Island University) and three high schools. Crime rates were higher than in many other parts of New York City, and drug dealing and prostitution were prevalent. The homeless population was high.

In 1985, the developer Forest City Ratner responded to a request for proposals issued by the city to develop downtown Brooklyn. Their plan was approved in the following year, and a complete restructuring of what is now known as MetroTech Center soon followed. As part of the redevelopment plan, a number of local buildings were razed to clear the land for the construction of large office towers. This required the relocation of two hundred residents, sixty businesses, and five government agencies.[22]

There was very little opposition to the creation of the MetroTech BID in 1992. As its associate director explained, "MetroTech is unique in that it was not built by an already existing community, but by and for an incoming community." Those who moved in were already supporters, and those who might have been opposed—merchants without much capital or interest in investing in their neighborhood—had already been relocated. This, combined with the fact that MetroTech's board of directors is very large compared with those of other BIDs (it has 29 members), helps account for MetroTech's success and popularity in downtown Brooklyn.

The MetroTech Area BID now extends beyond MetroTech Center and the original 16 acre site to cover sixty acres. While the initial development effort was coordinated between Polytechnic University and Forest City Ratner, the establishment of the BID involved active participation from the Securities Industry Automation Corporation, Brooklyn Union Gas Company, and Chase Manhattan Bank. This group is collectively referred to as the Commons Associates, because its members surround a 3.3 acre landscape commons at the center of MetroTech.

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[22] MetroTech Center fact sheet.

MetroTech's public safety program existed at MetroTech Center before the BID was established. The program was started to reassure corporations who were considering relocating to MetroTech Center but who had qualms about the area. These companies wanted to ensure their employees could travel safely to and from work, and to discourage loitering, disorderly conduct, drug dealing, and prostitution. The director of MetroTech's public safety program explained that from the outset, New York City officials have been supportive of the public safety programs of all BIDs, seeing their safety officers as extra "eyes and ears" for the police department, not as replacements.[23]

Public safety has remained MetroTech's primary focus. Its public safety program has an excellent reputation for effectiveness and courtesy, receiving positive ratings from both its members and outside observers. MetroTech also enjoys good relations with city agencies such as the New York Police Department, the Department of Business Services, and the Department of Sanitation.

MetroTech's public safety program
MetroTech's security force currently consists of 28 officers: 26 men and two women. Four sergeants and three corporals supervise shifts and organize schedules determining patrol patterns for each officer. Operations are administered by a director of public safety who formerly helped provide security for U.S. embassies, and an assistant director who is a retired sergeant from the NYPD with experience in narcotics enforcement and internal affairs. (Public safety officers, however, do not specialize.) Each officer takes turns patrolling sectors and monitoring the closed-circuit television console in two-hour shifts.

MetroTech's public safety program is discussed at quarterly meetings with a public safety committee. The committee represents everyone concerned with public safety in the BID, including the head of the BID public safety program, NYPD precinct commanders, heads of corporate security, representatives from the fire department, and school safety officers. Though not required to do so, the program director reports all changes to committee members and seeks their approval for future plans. He explained that the committee's first meetings included detailed questioning about program operations and efforts to manage safety activities. As the community gained confidence in the public safety program, meetings focused more on topical concerns, including recruitment, training, equipment, and school safety. At a recent meeting, for instance, the participants discussed coordinating public and private security efforts for Halloween. The committee is not involved in issues of misconduct or discipline of safety officers.

Hiring and personnel policies
Candidates for MetroTech's public safety program face a highly competitive and rigorous process, with only one in 25 applicants eventually hired. Candidates must be at least 21 years old and have two years of experience in law enforcement or the military. They

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[23] Interview with Brian Flanagan, director of MetroTech's public safety program.

cannot have any felony convictions or history of drug activity, and must pass a drug test and submit to random drug tests on the job. They must also pass a psychological exam. The average officer is in his or her late twenties; most come from the surrounding community.

The starting salary for officers is $20,500 per year, a figure commensurate with wages paid by private security firms. After one year, the salary is raised to $23,000. MetroTech strives to retain officers through merit increases and promotions. Officers are considered for merit increases each year based on a combination of a supervisor's evaluation, any minor violations, and a written test. But experienced officers can earn better salaries elsewhere. MetroTech officers do not usually stay on the job more than three years; many go on to better-paying positions in public police agencies or private firms.

Training

MetroTech is the only BID whose security officers may become peace officers under New York City law. As a general rule, peace officers differ from civilians and most private security guards in that they are given limited police powers by the state government. They may only exercise their authority, however, within a specified geographic area and only while on duty. MetroTech officers have the power of arrest but do not carry firearms, as some peace officers do.

MetroTech training goes well beyond the minimum requirements prescribed by the State Security Guard Act. MetroTech recruits are the only BID security officers in New York City to attend the New York Police Department's Training Academy. This arrangement is the result of negotiations between MetroTech and the NYPD, which has several station houses within the BID. The NYPD provides MetroTech recruits with 12 days, or 96 hours, of training.

The training includes a conflict-resolution course, which provides officers with communication skills to defuse potentially dangerous situations. Officers attend other courses on constitutional, civil, penal, and criminal procedure law, and learn about court procedures and testimonies. They also study investigative techniques and receive training in writing reports. This arrangement assures the NYPD that MetroTech officers are adequately trained in law enforcement.

In-service training is also provided at roll call or special sessions dedicated to a particular topic. People skills are emphasized, as well as methods of pacifying and restraining suspects. An NYPD transit police lieutenant comes in periodically to provide special training in gang-related issues. Annual training is conducted in CPR and the use of batons.

Coordination with public police

Most of MetroTech is located within the NYPD's 84th Precinct and District 30 of the transit police. MetroTech has good relations with the administrators of these public police stations, and their commanders are on MetroTech's public safety committee. Contact between MetroTech and NYPD commands occurs frequently over issues of common concern, such as outdoor concerts and demonstrations. MetroTech routinely shares its information with NYPD commanders.

Beat officers from the two police precincts patrol the same area as MetroTech officers, but there is no formal process for them to coordinate efforts. The NYPD does not usually share security information on gangs or other sensitive topics, but it does share information on wanted people. Informal collaboration occurs sometimes, but it largely depends on the relationship between individual MetroTech and NYPD beat officers.

One area in which coordination has become institutionalized is school safety. An NYPD school safety officer has been assigned to work out of MetroTech offices. The NYPD officer and MetroTech officers jointly patrol school grounds at dismissal times, checking in with young people they regard as troublemakers, letting them know that they are under observation.

Activities and responsibilities of BID officers

MetroTech's administrators stress that their officers' most important function is to make people feel secure. In the early days of the BID, the focus was on corporate clients who had been reluctant to relocate their employees to downtown Brooklyn. Corporations were primarily concerned about providing a safe environment for their employees on their way to and from work. Security patrols were initially concentrated in a limited area around the offices of the Securities Industry Automation Corporation to protect and escort commuters.

MetroTech's other clients, the local merchants, have different concerns: providing a safe environment for shoppers, discouraging thefts, and eliminating illegal street vendors who compete for customers. Merchants like to see MetroTech guards on patrol, while corporate clients like to see security officers at fixed posts along commuter corridors. MetroTech has resolved these competing needs by having officers at fixed posts during morning and evening rush hours, and on patrol at other times.

Nonetheless, corporate and merchant clients have other interests in common. Both have a stake in minimizing signs of social disorder on the streets. Thus, another important role played by BID security officers—discouraging the presence of vagrants, rowdy high school students, and street peddlers—satisfies corporate clients and merchants alike.

MetroTech is the only BID in New York City whose security officers patrol 24 hours a day. They patrol on foot, bike, or scooter, with single officers assigned to each sector of the BID. At roll call, supervisors discuss issues of the day and then assign officers to certain sectors, with rotations occurring every two hours. During rush hours, officers are

assigned to specific posts to survey commuter corridors. After business hours, when downtown Brooklyn empties out, the officers' focus changes from people to property. As they pass designated checkpoints, they use data scanners to register their presence at specific locations. The scanner system flags officers who fail to check in at appointed buildings along their route. The system is not popular among MetroTech officers, who feel it is demeaning. But administrators argue the scanner system ensures that officers in the field are patrolling their designated areas. Records are examined daily, and any irregularities are reported to supervisors.

From 1992 (the year of MetroTech's inception) to 1998, crime in the BID area declined 73 percent. Although crime in New York City as a whole fell during this period, the decline in felonies reported in the MetroTech area was greater than the decrease for Brooklyn as a whole, where felonies dropped 50 percent between 1992 and 1998.

Surveillance. The primary activity of MetroTech public safety officers is surveillance. The BID officers provide a visible security presence that the NYPD does not have the staffing to offer. A local merchant thought the BID security officers deterred crime more effectively than the public police.

The presence of the BID officers is enhanced by a sophisticated closed-circuit television system installed and maintained with funds from the Commons Associates. The system consists of 26 cameras, each with pan and zoom features. The officer assigned to monitor the system can focus on trouble spots within seconds of receiving a call for assistance and direct MetroTech or NYPD officers to the site of the problem. Each MetroTech officer knows how to operate the camera system, and officers take two-hour shifts monitoring the television console.

The cameras look like street lights and are not conspicuous to the public. While this might appear to blunt their potential as crime deterrents, MetroTech security officers and NYPD administrators argue that criminals are aware of the cameras and are discouraged as a result. The system has proven useful in a variety of ways. MetroTech grants the NYPD access to its tapes to view crime scenes, and the system has helped NYPD officers track fleeing suspects. In one instance, the MetroTech officer followed the flight of an escaping homicide suspect from one camera to the next, relaying information on his location to pursuing NYPD officers. In another, tapes were used to encourage reluctant witnesses to come forward and relate their testimony. MetroTech has also allowed the NYPD to use the cameras to monitor locations where illegal drugs are sold.

Removing signs of physical disorder. In the process of patrolling their posts, MetroTech officers check for garbage, nonfunctioning traffic or street lights, and similar conditions. They notify appropriate city agencies of problems they encounter.

Enforcing norms of acceptable behavior. Officers actively discourage people who are intoxicated or homeless from loitering. MetroTech officers direct homeless people to shelters in the area. When they encounter intoxicated people, MetroTech officers try to assist them in getting home or notify Emergency Medical Services. Although one New

York City BID has drawn criticism because of the way its officers allegedly treated homeless people, the homeless advocates we spoke to had no complaints about the way MetroTech officers interacted with their clients.

When officers encounter peddlers without city permits, the officers ask them to leave the area. If officers encounter the same peddlers repeatedly, they ask the NYPD Peddler Unit to come and issue summonses. Similarly, MetroTech and NYPD officers maintain a visible presence during dismissal time at the local high schools to discourage adolescents from loitering around school grounds and starting trouble.

Settling disputes. BID officers play an important role in settling disputes that arise between merchants and customers over allegations of shortchanging or shoplifting. In such disputes, BID officers are trained to call for back-up, separate the parties, and attempt to mediate a solution. If the parties cannot agree and a criminal matter is involved, officers call the NYPD or encourage the parties to go to small claims court.

Reducing vulnerability to crime. MetroTech public safety officers work with merchants to help reduce the likelihood of crime. When new merchants open shop, the BID public safety director or assistant director offers to perform security checks, evaluating locks, gates, and alarm systems. If they note deficiencies, they request that the NYPD perform a more detailed survey and recommend specific changes.

One jeweler was robbed twice in the same weekend by groups of teenagers who blitzed the store, stealing whatever they could quickly grab and running out. The head of MetroTech's public safety program paid a visit and suggested that the merchant move expensive items to the back of the store. A follow-up visit indicated that the jeweler had not experienced any further problems. In another instance, when a store clerk making a bank deposit was robbed at knifepoint, MetroTech public safety noted that bank deposits were generally made at regular times using certain well-traveled routes. They suggested to the storeowner that he vary the times and routes he used to make deposits.

Aiding citizens in need. MetroTech officers estimate that up to ninety percent of their contact with the public involves providing directions, for which they are well trained. In addition, an officer is assigned to the Helen Keller Institute for the Blind at dismissal time to ensure its students get home safely. Officers are trained in CPR and can assist people who are injured or have a medical emergency.

BID officers also provide escorts to employees to and from subways when requested. Security administrators note that requests for escorts are down from about forty per week in the early days of the BID to twice a week. They attribute the major decline in requests to a greater sense of safety by employees and merchants in the area.

Handling emergencies. MetroTech officers are often the first on the scene when fires or traffic accidents occur. After reporting the incident to their headquarters, the officers do what they can to stabilize the situation until firefighters or paramedics arrive.

Responding to criminal incidents. Although MetroTech does not have access to calls for police assistance that come in through the NYPD's system, the officer watching the

MetroTech closed-circuit television board does monitor local NYPD dispatches. BID officers patrolling a sector where an incident has occurred are sent to the scene to provide assistance. Because of their proximity, MetroTech officers are often first on the scene. In some cases merchants call the BID instead of the NYPD because they know the response time will be faster.

BID officers have the power to make an arrest within a limited area and they sometimes use that power to arrest unarmed suspects. But since they do not carry guns, their policy is not to attempt to apprehend suspects who might be armed. In such cases, BID officers and surveillance cameras attempt to track the suspect and relay information to the NYPD. Unlike public police officers who can arrest on the basis of information provided by others, MetroTech officers are limited to arresting only when they witness a crime. Actual arrests by MetroTech officers are unusual, occurring perhaps six times each year. Few officers we spoke to had used their handcuffs more than once. A more common scenario is for BID officers to do what they can until NYPD officers arrive on the scene and let them make the arrest.

MetroTech officers expressed pride in their recent role in apprehending a serial rapist. The incident involved a 15-year-old girl and a homeless man who lured her into a local hotel with promises of modeling work. The man started to disrobe and assault the girl in the hotel elevator. She escaped and ran outside, where she encountered a MetroTech officer. The officer gave chase, but lost the suspect. The next day, the same officer spotted the suspect again and radioed to headquarters. The officer and his supervisor apprehended the suspect in a local homeless center, cuffed him, and placed him under arrest. It turned out that the man was wanted for other rapes in New York and Georgia.

MetroTech officers log significant incidents on patrol, and these are entered into a computer and tallied monthly by administrative staff. We aggregated these MetroTech activities from January through July of 1999 into six categories (Figure 3). The officers' most frequent activity was dealing with social and physical disorder; they logged more than fifty incidents of each type per month. Providing assistance to citizens was the next most frequent activity, at about thirty times per month. Settling disputes, responding to crime, and providing assistance in emergency situations were recorded as occurring about 15 times per month each. (The logs do not reflect surveillance activities or assistance in preventing crime.)

Merchant perspectives on the MetroTech public safety program
Merchants we spoke to were generally very positive about MetroTech safety officers. Most of them felt the officers did a good job and that they provided a visible symbol of safety that reassured customers and deterred criminal activity. We did hear complaints that BID officers were not seen frequently enough, but these were expressed by only a couple of merchants. What does seem to be true, according to both merchants and the

MetroTech officers, is that most BID officers do not make it a point to spend time in stores and get to know merchants personally.

A majority of merchants called MetroTech headquarters directly on at least one occasion to report shoplifting or some other problem. Merchants universally believed that MetroTech officers were likely to respond much faster than the NYPD to calls for assistance. A couple of merchants, however, complained that BID officers did not do enough to apprehend criminals, saying that the officers were reluctant to give chase or to search suspected shoplifters. These complaints indicate that MetroTech officers are following procedures outlined in their operations manual regarding exposure to danger and evidence requirements for engaging in pursuit.

Accountability

Internal accountability

We identified five separate internal accountability mechanisms that control the behavior of BID officers. First, officers must pass written exams each year as part of their annual review. These exams test their knowledge of code of conduct and duties set forth in the manual on patrol procedures. The manual describes each patrol post and specific problems to watch out for. Guidelines prescribe appropriate conduct in responding to fires, crimes, and other situations. For example, the manual explains when officers may search people accused of shoplifting and how searches must be conducted.

Second, officers are granted or denied merit increases based on their performance. BID administrators do not evaluate MetroTech officers on the basis of the number of criminals they apprehend or contacts with the public, but they do scrutinize behavior closely. A log of minor violations tracks tardiness, misuse of sick time, and other petty infractions.

Third, officers on patrol are constantly subject to surveillance from the closed-circuit television system. Officers are well aware that most of their activity is observable and that infractions can be preserved and viewed at a later date. Once, when a merchant complained that a MetroTech officer had been absent from his post, tapes from the cameras verified that the officer had been within his assigned sector.

Fourth, MetroTech's assistant director of public safety investigates complaints against officers. Serious complaints are brought to the attention of MetroTech's executive director, and then to the board. Sometimes plaintiffs go straight to the New York City Department of Business Services. Most complaints about officer conduct come from local merchants upset because they believe officers did not do enough to pursue fleeing shoplifters or to search customers suspected of shoplifting.

MetroTech administrators estimate that they have had about six allegations of abuse by officers in the nine-year history of the BID. In one, a parent lodged a complaint against an officer for pushing around a high school student. The officer had intervened

when a group of students dismissed from school had been acting in a disorderly fashion. He got into a scuffle with a male student, whom he cuffed. But he did not arrest him or report the incident to his supervisors. The boy's parents filed an assault complaint with the NYPD, which led to the officer's arrest. The officer was temporarily suspended and lost his peace officer status. He was reinstated after his court case was adjourned in contemplation of dismissal, and reassigned away from students.

The fifth and final internal mechanism is accountability to the BID's public safety committee and the board, each of which can review any aspect of the security operation.

External accountability

Accountability to the courts. BID security officers are accountable to criminal and civil courts when officers are alleged to have injured someone or are charged with criminal offenses. In addition to the incidents already related, two others have resulted in civil litigation against the BID. In the first incident, a BID officer on a scooter is alleged to have run over a pedestrian's foot. In the second, an officer is alleged to have become involved in a boisterous argument on his way to work.

Accountability to the Department of Business Services. The Department of Business Services reviews the conduct of the BID routinely throughout the life of the BID, and in particular every five years when its contract is scheduled for renewal.

Accountability to the public police department. The NYPD does not investigate allegations of noncriminal misconduct by MetroTech officers. When criminal conduct has been alleged, however, detectives from the 84th Precinct have conducted their own investigations independently of MetroTech's fact-finding. The NYPD can revoke officers' peace officer status, and has done so when criminal charges have been filed.

Accountability to clients. Indirectly, MetroTech is responsible to both corporate and merchant clients through its public safety committee, whose members include a number of corporate clients and a merchants' representative. In the early days of the BID, when concern about social disorder was high, the committee took a strong hand in day-to-day operations. As the situation on the streets has improved, the committee has left more control of security activities in the hands of the director of public safety, focusing instead on strategic planning and coordination of public and private security for special events.

When clients have complaints, they can go to the BID headquarters (their concerns are then brought to the board), to the Department of Business Services, or the district attorney's office.

Although MetroTech security initially concentrated on satisfying the needs of corporate clients, MetroTech considers itself accountable to merchants as well. The BID director always attends the monthly meeting of the BID's merchants' committee. Merchants reported feeling that the director does indeed bring the security concerns raised at the meetings back to MetroTech's public safety director to receive further attention.

Media coverage. Security programs, like other aspects of the BIDs, feel an acute accountability to the press. In the case of other BIDs in New York, criticism in the press has had a powerful impact on management. Media coverage of MetroTech's public safety program, however, has been sparse and favorable. The *Daily News* ran a story on the apprehension of a rapist in which MetroTech officers played a part. Local papers have carried positive articles about special events sponsored by the BID, but none of the articles we found discussed the conduct of BID officers.

Conclusion

Our impression from interviewing MetroTech officers and accompanying them on patrol is that they have a highly professional approach to their job. They have been involved in few incidents of misconduct reported by citizens. A local merchant favorably compared MetroTech officers to NYPD officers, saying that the BID officers "love their job and are proud of what they do." The consensus of both merchants and homeless advocates was that MetroTech officers conducted themselves well.

Our interviews suggested several reasons for the generally good reputation of the MetroTech officers. First, their mission differs from that of the public police. Although MetroTech officers play a variety of roles, their main purpose is not to enforce the law but to reassure commuters and merchants. As a result, they are far less likely than public police officers to engage in the kinds of activities that often give rise to citizen complaints: armed arrest or issuing tickets. Second, and equally important, MetroTech makes good use of accountability mechanisms to ensure that its safety officers act professionally.

BID security forces are accountable in different ways than the public police. For example, the BIDs have no clear equivalent to a civilian complaint review board, but the public police have no equivalent to the Department of Business Services. Both have local boards that meet with commanders to discuss their work, but the public safety committee of the MetroTech BID appears to be more representative and more powerful than most precinct councils that meet with public police commanders.

In other ways, BID accountability mechanisms are similar to those over public police. Both are accountable to the civil and criminal courts, and both must heed what the news media say about them. Both maintain rigorous programs of internal discipline, although the BID police have no equivalent of the police department's division of internal affairs. New York City BIDs, like the police department, are audited annually; like the police, they are also the subject of weekly reports written for the mayor's office.

The corporate entities that founded MetroTech and remain strongly associated with it want to maintain a good image. But they have also proved adept overseers, making a concerted effort to staff the BID security offices with top-notch management, establish hiring guidelines that allow only well-qualified individuals to become officers, and

ensure that officers abide by the organization's code of conduct. Like the best public police organizations, they recognize that the appropriate way to manage in the face of external accountability is to develop even stronger internal accountability. Their apparent success in this regard suggests that private policing can be organized to hold it effectively accountable to the public.

The business of private policing in South Africa: Sentry Security and the armed-response sector

By Jenny Irish

Overview

Over the last two decades, the private security industry in South Africa has expanded by approximately thirty percent each year. Today, the industry's annual income is more than 11 times greater than it was during the early 1980s. There are currently 5,343 security businesses registered in South Africa and more than 350,000 registered private security guards. Only 160,000 guards, however, are currently employed. The industry has a turnover rate of approximately 140 percent and, therefore, the number of officers employed at any one time fluctuates.[24]

The majority of urban South Africans are far more likely to come into contact with private security guards than with South African Police Service officers. Although the ratio of public police to private security guards is two to one, the ratio of visible public police to visible private security guards is one to five.

The private security industry in South Africa consists of five sectors:

- *Guarding (or Assets-in-transit).* This sector secures residential and commercial buildings, shopping complexes, schools, and government institutions, and protects goods in transit. It employs approximately 130,000 people and serves about 10,000 clients, the largest being the South African government.[25]

- *In-house security.* This sector comprises security operations within businesses. Estimates place the number of employees engaged in in-house security at approximately 60,000. (Since these officers are not registered with South Africa's Security Officers Board, an exact figure is not available.)[26]

- *Private investigators and risk-management consultants.* There are currently 452 private investigators and risk consultants registered with the Security Officers Board.[27]

- *Electronic and hardware security.* Representing about one-third of the industry's market value, this sector includes installers of alarms and other security devices.[28]

- *Armed response.* Like the electronic and hardware security sector, the armed-response sector provides alarms to homes or businesses. But in this case residents or business

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[24] Figure supplied by the Security Officers Board, January 1999. The Security Officers Board regulates the security industry. By law, all security operators, with the exception of in-house security, must be registered.

[25] A. Minaar, *Partnership Policing Between the South African Police Service and the South African Private Security Industry.* (Johannesburg: Research Centre, National Police Management Service, 1997).

[26] ibid.

[27] Security Officers Board, May 1999.

[28] Godfrey King, "How Much Is the Industry Worth?" *Security Focus* 15, no. 4 (1997): 10-11.

owners also pay private security companies to monitor the alarms and, when they detect alarm signals, to dispatch armed guards to the scene. While the armed-response sector employs fewer staff than the guarding sector, it serves more clients, approximately 500,000. More than 450 registered armed-response companies employ an estimated 30,000 people.[29]

Concerns about private security in South Africa

South Africa's private security industry has been a frequent target of critics. Escalating crime has encouraged the rapid expansion of the industry and, although many companies are reputable, some have tarnished the industry's image. A relatively high number appear to be involved in criminal or fraudulent behavior. In March 1997, the South African Police Service's Office for Serious Economic Offenses raided the offices of six large private security companies as part of a fraud investigation. Many companies also go out of business quickly. In 1990, 6,453 companies had registered with the Security Officers Board, which regulates the private security industry. By 1997, 2,464 had closed.[30]

Fly-by-night companies often secure contracts by underbidding their competitors, which they are able to do by cutting back on training or underpaying staff. In fact, working conditions are a matter of serious concern within the industry, but a high rate of turnover has made effective unionization extremely difficult.

Another concern is that certain elements of the private security industry have a close historical relationship with the repression carried out by official security agencies under apartheid. A 1996 report detailed the involvement of certain industry elements in political violence, paramilitary training, and weapons smuggling.[31] A rough survey from the same year revealed that eighty percent of top management in the security industry had a background in the previous security forces, and that many of them had experience in counterinsurgency and low-intensity conflict.[32] And in 1997, South Africa's current president, Thabo Mbeki, said he believed that certain elements of the industry had been involved in political and criminal destabilization. The industry does not necessarily contest these allegations, and the more professional operators are equally concerned about criminal elements.

The armed segments of the private security—guarding and armed response—are arguably the sectors where possible abuse is the greatest area of concern. Private armed guards have the potential to inflict serious damage accidentally or by intent. Some guards have been issued firearms without adequate training, leading to inappropriate use of deadly force or to situations where they have been vulnerable to attack. In 1996, guards

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[29] Security Officers Board, March 1999.

[30] Superintendent Wiesse, Pretoria, March 1999.

[31] Sara Bletcher, *Safety in Security*. (The Network of Independent Monitors: March 1996).

[32] M. Shaw, *Partners in Crime? Crime, political transition and changing forms of social control*. (Johannesburg: Centre for Policy Studies, 1996).

from one large security company stationed in KwaMashu, outside Durban, were attacked 13 times. In each incident, the guards' firearms were stolen.[33]

Another problem is false alarms, to which police are obliged to respond. According to a senior superintendent of the South African Police Services Management Services in Pretoria, as many as 99 percent of the alarms that police respond to are false. Another police superintendent in KwaZulu Natal claims that about two hours of the average police officer's working day are spent responding to false alarms generated by private security companies.

The legislative environment

South Africa's private security industry is regulated by the Security Officers Act, which was originally issued in 1987 and amended twice, in 1992 and 1997. The act established the Security Officers Board to oversee regulatory processes within the industry and advise the minister of safety and security on future regulation. Most board members are drawn from within the security industry, although the chair is not. The board is solely funded by the private security industry through fees and fines paid by companies, owners, directors, and guards. It has a full-time administrative department, or secretariat, that oversees its day-to-day operations.

Under the act, all companies, owners, and security guards must be registered with the Security Officers Board. This process includes screening all applicants to ensure that people guilty of criminal offenses are not able to work in the industry. The board is also responsible for creating minimum training standards and ensuring that they are followed. The act established an inspectorate underneath the board to enforce the regulations and a code of conduct to ensure ethical and legal practices by security companies.

Observers have raised several concerns about the Security Officers Board. Initially, it was weighted heavily in favor of the guarding sector of the industry at the expense of other sectors. In fact, until the act was amended in 1997, it specified that the board's role was to promote and protect the status of this sector. The amendment dropped specific reference to the guarding sector in favor of the industry as a whole; however, the other sectors are still not truly represented by the board even after this change.

Another concern is that the board has been slow to establish and maintain adequate standards. This may be due, in part, to the fact that some members of the board, who are also owners of security companies, have used their positions to further the interests of their own companies rather than the good of the industry or the public.

The armed-response sector

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[33] Clive Zuma of Kusa Security, Durban, April 1998. The security company referred to is Khulani Springbok.

South Africa's armed-response sector serves businesses and industrial sites, but its biggest market by far is private homes of the affluent. The industry grew out of the public's lack of confidence in the ability of public police to rapidly respond to calls for service. Most armed-response companies have their response officers patrol assigned areas in roving vehicles, making it possible for them to respond to alarms far more quickly than the police can. Many companies offering this service claim their security officers can arrive at the scene of an alarm in four to ten minutes. Although the public police may also be patrolling the same areas in cars, they have far fewer resources than the security companies.

We focus on one armed-response company, Sentry Security, which is a key player in South Africa's security industry. The company provides a good example of how private security companies operate and the constraints and challenges they face. This analysis discusses how Sentry has dealt with some of the problems that have plagued the private security industry in South Africa.

Sentry's willingness to open itself to scrutiny is unusual. It is among the most professional companies in the industry, and its standards and practices do not necessarily reflect those of the industry as a whole. Many companies would not permit similar scrutiny of their operations.

A brief history of Sentry Security
In 1981, the managing director of Fiat chased a burglar from his home. From this experience, he and his wife developed the idea of a security service that would install alarm systems and trigger the deployment of private armed-response personnel. In 1982, they opened Sandton Sentry, South Africa's first armed-response company.

As demand for armed response grew, other security companies began to provide this type of security. Many of them started by providing alarms with monitoring capacity and then expanded into armed response. Sandton Sentry was different: it started out providing armed response and then moved into other areas of the security market.

The company initially operated only in the upscale areas of Sandton, a suburb north of Johannesburg. In 1992, it had approximately 2,500 clients. That same year, it was bought out by Klipton, a company with diverse interests listed on the Johannesburg Stock Exchange. Klipton extended the company's services beyond Sandton and changed its name to Sentry Security. Klipton then began buying other, smaller armed-response companies around the country. At first these companies retained their original names and uniforms, although Sentry introduced uniform standards and training. In the last two years, however, the companies have adopted the Sentry name.

Sentry is now the largest armed-response security company in South Africa and one of the major players in the private security industry. The business has expanded throughout South Africa and serves around 120,000 clients. It largest operations are in

Johannesburg, where it serves about 45,000 clients.[34] Sentry is now in the process of merging with Paramed Security, which will give it additional guarding and private-investigation services. The goal is to create a "one-stop security shop" that will offer clients a range of security options.[35] Sentry's management indicates, however, that armed response will remain the company's focus.

Management

Internationally, the private security industry tends to attract people with military or security backgrounds. In South Africa, given the history of apartheid and the previous government's involvement in destabilizing activities in many neighboring countries, there is a large pool of ex-statutory security personnel available, a significant number of whom have joined the private security industry. Sentry Security does not share this profile because it was established by a businessman and his wife. Many of its top management personnel have business experience rather than a police or army background.

Another legacy of apartheid is the racial makeup of the industry. Traditionally, guards have mainly been black, while management, owners, and armed-response units have mainly been white. Speaking at the launch of the Black Security Companies Owners Association in 1996, General Secretary Steve Dube emphasized that black South Africans held only four percent of the top positions in the industry.[36] Sentry Security, like most of the large security companies in the country, shares this legacy: almost all its top management personnel are white. But according to senior management, the company has approved a program to promote black managers from within the company.

Staff recruitment and training

Many South Africans believe that the private security industry is staffed by gangsters or "Rambos." We interviewed a few people who said they had opted for an alarm system but not an armed-response service because they had heard stories of thugs operating as private security guards.

Much of the senior management of the more professional companies, including Sentry, agrees that there are such elements operating in the industry. Sentry's managing director explains that the company has always taken steps—beginning with its recruitment policy—to ensure that such people are not hired and that staff operate as professionals even under situations of extreme pressure.

According to Sentry's operations director, recruitment and training processes are crucial to Sentry's success. This appears to be one of the key factors that distinguishes Sentry and other companies with similar approaches from their less professional competitors. Some companies cut costs in training and pay little attention to the type of

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[34] Figures supplied by Sentry Security, August 1999.

[35] Bob Powers, managing director of O & A Fourie, February 1999.

[36] Godfrey King, "Black Security Association Formed," *Security Focus* 14, no. 5 (1996): 15.

personnel they recruit. Some have even recruited untrained people off the streets and deployed them as guards or armed-response officers. A Johannesburg businessman told us he changed his security company to Sentry after he had a bad experience with another company, which he refused to name. He said the other company had recruited a man from a homeless shelter and, without any training, deployed him as a guard. It was only after a serious incident that the businessman found out what was going on and switched to Sentry.

A number of security companies use lie-detector tests in recruiting and will only employ people who pass. Sentry uses lie-detector tests sparingly. Instead, it has developed stringent psychological screening procedures. Applicants for positions at Sentry undergo the 16 PF test, which is administered by a psychologist. It was developed by the Council of Industrial Research (CSIR) to test 16 personality traits. According to one psychologist, this is one of the most comprehensive psychological tests used in South Africa.[37] Applicants must also take two exams and undergo a practical driving test. Only if they pass all of these assessments will they be interviewed by the local management.

Once hired, Sentry recruits undergo rigorous training. The Security Officers Board's regulations stipulate that all private security guards must be trained according to a grading system from E to A, with A-level guards being the most trained. Many critics claim that the standards, particularly for the E and D grades, are too low. Sentry trains all its personnel to the C grade. In addition, all officers undergo a special armed-response course and a two-day firearm training course. Afterward, the new Sentry reaction officers spend two weeks working as assistants to experienced senior reaction officers.

Training does not end once the reaction officers are sent to the field. They have monthly shooting evaluations and, once a year, take a refresher armed-response course, as well as first-aid and driving courses.

The private security industry in South Africa has a very high staff turnover rate, placed by some researchers as high as 140 percent.[38] This high rate results, in part, from many companies' poor treatment of their guards and the low priority they assign to training. In contrast, Sentry's turnover rate is just 13 percent, according to management.

Sentry runs a service-excellence program. It encourages guards to develop management skills and has a policy that officers are eligible to become managers. In fact, a number of Sentry's current managers came up through the ranks. The current managing director of the company's Johannesburg Division started as a reaction officer at Sentry.

Operations

Each Sentry client has an alarm system linked to a central control room. In Johannesburg, all 45,000 clients are linked to a central operations room staffed by up to 16 people. If an

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[37] Anne MacKay, psychologist, Durban, July 1998.

[38] M. Shaw, *Partners in Crime? Crime, political transition and changing forms of social control.* (Johannesburg: Centre for Policy Studies, 1996).

alarm is triggered, a signal goes to the operations center, where it is classified as emergency or non-emergency. Armed response is deployed only for emergency signals. In that case, the control room dispatches a vehicle and notifies the owner of the premises by telephone if possible. If a response unit arrives at a site where a signal has come from and does not report back to the control room within five minutes, the control room will immediately dispatch a back-up vehicle to the location.

The Johannesburg operations room receives approximately 400,000 signals each month; more than one-third fall into the emergency category. In turn, about 40,000 vehicles are dispatched, and the average response time is around five minutes. (Sentry tries to ensure a response time of less than four minutes, and investigates any responses that take longer than six minutes.) To make this possible, the company deploys at least 76 armed-response vans and 12 supervisory vehicles on Johannesburg roads for each shift. Reaction officers are expected to know their areas well and be able to determine the quickest route, under prevailing circumstances, to the client. The units must also establish stand-off points: places where officers park their cars and act as a visible presence, while at the same time available to respond to emergency signals. A response unit will usually patrol for one or two hours and then park at a stand-off point for an hour.

According to Sentry, as many as 95 percent of the signals it receives each month at the Johannesburg operations center are false alarms. Therefore, Sentry only calls the police once the armed-response unit arrives at the scene and the emergency is verified. If, once the owner is notified, Sentry discovers that the situation does not require armed response or that the signal was a false alarm, the officers are recalled. All visits to verify a signal are logged for the protection of both the client and the company.

A record of all alarm signals is printed out daily and analyzed by the company. This data is then used to track trends that can be useful in deploying armed-response personnel. Sentry is able to provide statistics on crime trends in the areas it services as well as map what types of crime are most common, on which days of the week most incidents occur, and even what time of the day most incidents take place. In fact, its crime data for some wealthy Johannesburg suburbs are more comprehensive than any statistics available from the public police.

Protocol for reaction officers

Sentry's policy is that crime prevention is far more important than the number of arrests and that protecting life outweighs the importance of arresting suspects. Sentry's operations director refers to the armed-response personnel as "first aiders" who stabilize the situation at an alarm site before alerting the police. Their role is to respond quickly to a signal and, once at the scene, to secure clients and their property. Reaction officers are equipped with nine-millimeter pistols and bulletproof vests, but they have no special powers of arrest. If they apprehend suspects, they can only make citizens' arrests.

Sentry reaction officers are thoroughly trained about what to do when confronted with suspects and when to use their weapons. Company guidelines stipulate that when confronted by suspects, response officers should place their hands on their guns while they are still in their holsters. They must then identify themselves as security officers and ask suspects to place their hands over their heads and go down on one knee. The reaction officers handcuff the suspects from behind, then accompany them to the van and notify the operations room. Armed-response officers may not interrogate suspects or take any other action against them, even at the request of clients.

The operations room then sends back-up vehicles to the scene and notifies the owners, if they are not on the premises, and the police. Suspects remain in the custody of reaction officers until the police arrive, when they are handed over and the Sentry officer makes a statement. If clients do not choose to press charges, the suspects are released.

Reaction officers are carefully instructed as to the law regarding the use of firearms and the circumstances under which they may be used. They are taught to fire their guns only if suspects fail to respond to the request to place their hands above their heads and if they pose a physical threat to the life of the officer or client. When they shoot, officers are instructed to fire first over suspects' heads.

In 1999, reaction officers discharged their firearms on nine occasions. Only two people were wounded, both suspects apprehended at the scene. One of the injured suspects laid a charge of attempted murder against Sentry and the armed-response officer. The company and officer were exonerated at trial.

In the entire 16 year history of the company, two officers have been shot and killed and two officers have been wounded. During this same period, Sentry officers have shot and killed six people, a very low figure compared with other armed-response companies.

Coordination with public police

Historically, the police have supported the growth and development of the private security industry. In the late 1970s and early 1980s, the South African police withdrew from many normal police functions to concentrate on maintaining political control. The government and senior police officials encouraged private security companies to fill the gaps.

The current government and police management have adopted a more cautious approach to security companies. Speaking at a Security Association conference in Durban, the deputy national commissioner of police spoke about the need for the police to develop partnerships with private security operators, claiming that such partnerships could contribute to freeing police personnel, sharing information, assisting with technological expertise, and developing joint training programs. The deputy commissioner stressed, however, that this could not occur until the industry was effectively regulated.

The South African Police Service has not yet developed policy guidelines to assist police personnel in clarifying how they should work with private security officers. One police station commissioner said that to a large extent relations depended on the individual police officers' perceptions of private security or their past relationship with people in the industry. He believes it is important for police to develop a relationship with security companies, but also cautions against the more unscrupulous operators. He feels that private security officers are not subject to the same limits, scrutiny, and accountability faced by police officers, and many private security operators operate outside the law.

The lack of policy guidelines around the relationship between the police and private security companies has also frustrated some private security operators. Sentry's director expressed concern that police officers sometimes requested inappropriate assistance from security companies, but did not seem interested in valuable information private security operators could share with the public police, such as detailed crime statistics.

Another problem is the informal use of state resources and information by certain members of the private security industry for their own interests. Many security operators were previously members of the police or state security structures. Some of them use their contacts to gain access to information.

A number of private security companies have petitioned the government for additional policing powers. Sentry Security agrees that there are certain situations where additional powers may help. In particular, Sentry would like to see armed-response vehicles given emergency-vehicle status. Its managing director, however, urges caution. Given the problematic elements that exist within the industry, he feels that before the industry is granted additional powers it should clean itself up and implement additional standards of professionalism.

Accountability

Internal accountability

Sentry has national standards for all of its branches, established by a management team based at the head office in Johannesburg. Managing directors of each branch attend monthly national meetings, and they are required to ensure these standards are met. Interviews with Sentry clients in Johannesburg and Durban suggest, however, that there are provincial variations, and that the standards in the Johannesburg area are substantially higher than those in the Durban area. This is possibly because the company has its origins and head office in Johannesburg. The provincial branches are usually run by the management of smaller companies bought out by Sentry.

At the start of each shift, supervisors check reaction officers to ensure that they are sober and presentable. Officers are issued guns and ammunition, which are registered in a company firearm register. The guns are checked before they are issued. The vehicles are

then checked and the instructions for the shift given. At the end of each shift, the same checks take place and the guns and ammunition are locked in a gun safe. Individual guards are responsible for the guns issued to them. If at any time guards fire their guns, they must immediately report it to their supervisors. Management then investigates the matter. In fact, since management personnel are on duty 24 hours a day, they are available to immediately investigate any kind of questionable incident.

The company is quick to take action against guards involved in misconduct. Officers lose monthly bonus pay for such minor transgressions as occasional absenteeism or bad driving. Serious transgressions, such as failure to adhere to company policy or malicious damage to people or property, lead to disciplinary procedures that could result in dismissal.

Sentry also has an incentive system to reward good work. The company has an officer-of-the-month award and an annual service excellence award. These awards do not have any monetary value, but are quite prestigious within the company. A few reaction officers said they felt that these nominations could be helpful for guards who had ambitions to move up the company management ladder.

External accountability

With the growth of the private security industry and the expansion of its role into areas that were previously the domain of public police, the question of accountability has come into sharper focus. After the changes that occurred in South Africa in April 1994 with the election of a new government, the statutory security services were transformed. These state structures, particularly the police, were subject to intense public and state scrutiny, and a number of processes were established to make the police more accountable to the public. But the same processes have not occurred in the private security industry. Their major accountability is to market forces and to the clients who pay for their services. Accountability to market forces is sufficient when the service provided affects only security companies and their clients; however, when private security operators take on roles traditionally associated with the public police, accountability needs to extend beyond the client to the public whom they are also policing.

Some of the more professional companies, like Sentry, as well as some of the more reputable security associations, have attempted to establish standards to ensure that professional service is provided to the public. But South Africa's lack of an independent civilian complaint mechanism for private policing limits the ability of the public to hold private security operators accountable. Today, the general public's ability to hold these companies accountable comes through trade associations, the public police, the media, criminal prosecutions, and civil suits.

Accountability to the Security Officers' Board. As the statutory body responsible for regulating the industry, the Security Officers Board is perhaps most responsible for dealing with complaints regarding abuses within the industry. Although the board

investigates and acts on such complaints, several factors limit its ability to handle them effectively. First, the board is dominated by the security industry—only two members are not industry representatives. It has a natural tendency as a result to protect its own interests and, in particular, those of members of the guarding sector. Due to its composition and traditional guarding background, the board has little idea of the requirements of other sectors of the industry, such as the armed response sector. Second, the board has just 28 inspectors nationwide who follow up on all complaints of abuse. Finally, most of the general public does not even know that the board exists, and is unaware that it is possible to lodge complaints with it.

Despite these shortcomings, the board has brought a number of cases against the more unscrupulous operators. Between July 1998 and August 1999, it charged 1,349 security guards or operators with violations. Summonses were subsequently executed in 713 of these cases, and of those 528 cases were prosecuted.

Accountability to trade associations. Sentry Security is part of a security organization known as the South African Intruder Detection Services Association, or SAIDSA. In order to join SAIDSA, companies must meet certain standards and obey several by-laws. SAIDSA attempts to monitor and enforce these standards by investigating complaints and conducting random checks, but it only has authority over its members. It cannot penalize electronic and armed-response companies who choose not to join, nor is there legislation to enforce the standards it sets.

SAIDSA's standards are far higher than those set by the Security Officers Board, and many armed-response companies feel it is more effective in regulating members. In fact, SAIDSA's high standards have helped promote improved practices in the industry. Recognizing SAIDSA's importance, many insurance companies now look for evidence that SAIDSA-approved companies are providing security to clients.

SAIDSA is one of more than 32 security associations operating in the country, reflecting the diverse and fragmented nature of the industry. In 1986, the South African Security Federation (SASFED) was established to represent the interests of the country's security companies, and many of the associations, including SAIDSA, are affiliated with it. SASFED, according to its chair, provides a forum "for a united voice on issues of common concern." Over the years, however, fewer associations have become affiliated with SASFED because, according to SASFED's previous chair, the industry is rife with political, material, and personal differences.[39]

Accountability through the media. There have been a number of media reports citing abuses that have occurred involving private security companies or individual guards, but these articles have usually appeared in response to gross abuses. A significant number of lower-profile or individual abuses go unreported. In addition, only a handful of newspapers have journalists who focus on private security operations.

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[39] Ian Puller, former SASFED chair and managing director of Goldfields Security, Johannesburg, December 1998.

Sentry Security has received some media coverage, but almost exclusively in the business section of the papers detailing its acquisitions, growth, and financial performance.

Accountability through criminal prosecution. Another channel available to the public is to report private security abuses to the police and press charges against a company or guard. Many members of the public are skeptical, however, that the police will help them due to the murky relationship between certain elements of the police and the security industry, as well as the fact that a significant number of security operators are former members of the police or state security structures. During the 12 years that Sentry has operated in the armed-response sector, it has been the subject of only one criminal complaint. The case went to court and Sentry and its guard were found not guilty.

Accountability through civil action. In many countries, civil claims and subsequent legal remedies have played a role in regulating private industries. In South Africa, however, such processes are underdeveloped. In almost all cases, clients or employees of clients file claims against private security companies. The number of cases in which members of the public have filed complaints or won legal remedies is extremely low. For instance, even in the notorious case of the Thembisa Station, in which 16 railway commuters were killed in 1996, no civil or criminal charges were ever laid—even though the investigating commission found that the security guards' actions directly contributed to the deaths. The incident occurred after guards in charge of security at the station panicked when confronted with a large number of commuters. Shots were fired and guards used cattle prods in an attempt to control the commuters.

Only one civil claim has ever been lodged against Sentry, involving a reaction officer who fired shots at a suspected car hijacker. The regional court ruling awarded damages to the complainant. This case is under appeal by Sentry.

Accountability directly to the community. In the affluent areas of the cities where it operates, Sentry Security tries to foster good relations with the community. For instance, it participates in local community police forums, councils composed of police and local citizens that help police set priorities and strategies. Nonetheless, Sentry's management emphasizes that the interests of individual clients are the company's first priority. According to one company official, "We exist because of our clients and therefore the client must always be the top priority." According to the official, there is no firm policy to prevent the security officer from helping the community in emergency situations, but that help must not be at the expense of clients' security.

Conclusion

The growth of the private security industry and its expansion into areas that were previously the domain of public police require changes to the current system of regulation of the industry. As Deborah Ewing said in a recent article on the private

security industry, "Policy and legislation have hardly been able to keep pace with the industry's growth, and there is often a fine line between its capacity to protect and its capacity to endanger."[40]

At the same time, it is essential to acknowledge that private security has an important role to play in maintaining public safety. But this role needs to be strictly regulated and monitored, so that the fine line between protection and endangerment can be removed.

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[40] Deborah Ewing, "Protection For The Rich," Siyaya!, September 1999.

Banking security in Mexico City: mixing public and private police

By Arturo Alvarado and Diane Davis

History of the public police and banking security

Since the 1940s, banking security in Mexico City's Federal District has undergone three distinct phases.[41] The first and longest period, which saw the establishment of several public police agencies, lasted until 1982. In 1941, the Banking and Industrial Police (Policía Bancaria e Industrial, PBI) was created as a force within the Federal District's public police to provide security services to banks. The PBI reports to the district's Ministry of Public Security. It is one of the complementary police forces that report to the ministry—complementary in that it is an adjunct to the main, federal force, known as the preventive police. Two additional forces, the judiciary and the auxiliary police, also report to the ministry.

The PBI originally provided its services through a contracting system under which banks hired its staff to police their branch offices. Banks were responsible for the total cost of the service; they paid the Ministry of Public Security directly, not the PBI or individual police officers. Officers, however, were accountable to the PBI, not to the banks. Some banks also contracted services from other public police agencies. From the 1940s until the 1970s, bank assaults and robberies were scarce and nonviolent.

This system dominated bank security until September 1982, when then-President López Portillo nationalized the banking system. Until banks were again privatized beginning in 1992, the federal government administered them. Among other changes, the fiscal and treasury authorities were involved in security policies. Throughout this period, the number of assaults rose.

In 1987, during this second phase, Bank Security and Protection (Seguridad y Protección Bancaria, Seproban) was created. Seproban is a semipublic enterprise designed to carry out security for public banks. It initially operated only within the Federal District, but eventually expanded its activities to most of Mexico's 32 states. From its inception, Seproban had limited success, principally because its officers were not authorized to bear arms. That forced banks and Seproban to subcontract public police services from the PBI and, to a lesser extent, other police forces.

The third and current phase of banking security in Mexico, the subject of this case study, began in 1992 with the privatization of banks during the administration of President Salinas de Gortari. Bank security was again redefined, and the new bankers took a more active role in designing and implementing bank security policies.

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[41] The Federal District (Distrito Federal) corresponds to Mexico City. It has an elected government and is headed by the *jefe de gobernio,* similar to an American mayor; it also has a local congress and judiciary. It is most similar to Washington, DC.

These changes were spurred by a dramatic increase in the number of assaults on banks between 1995 and 1997. Confidence in the role of public police in bank security was shaken because some police officers were implicated in banking crimes. In response to this rise in crime against banks, in the 1990s the banking industry formed the Bankers' Association of Mexico, an association of owners of private, public, national, and foreign banks, largely shifting responsibility for decisions on bank security away from the government. The association's security committee developed new security standards that are enforced by the Ministry of the Treasury, as well as by the association. In addition, through an agreement with the bankers' association, each bank has its own security committee that operates according to rules determined by the bank.

Many banks have started to hire private companies to carry out security services inside the banking system. Many have also launched ambitious and costly programs designed to reduce assaults through environmental changes. They entail spending on infrastructure, equipment, and technical assistance, and training bank personnel in ways to deter theft. Investments in these measures were calculated at between $900,000 and $1,200,000 by 1996. These measures reduced insurance costs and prevented sanctions from the treasury. More important, they contributed to a substantial reduction in the assault rates, as well as in the amount of stolen securities and cash. In light of these results, many banks have decided to stop paying public police to guard their branches, except for some PBI services to guard headquarters, staff, and executives, distinct from bank branches.

Still, in spite of the increasing privatization of bank security, there are currently several public police corps and institutions involved in banking security in Mexico City. In addition to the PBI and other complementary forces and the judicial police, there is a banking division at the office of the federal attorney general that investigates organized crime and money laundering.

The legislative environment

Contemporary legislation regarding public police is extensive. Mexico City's Preventive Police Act of 1984 and the 1993 Public Security Law of the Federal District describe the tasks and procedures of the PBI, specifying why and how the force can work as a subcontractor with banks.

The public security law also instructs the fiscal office of the Ministry of Public Security and the general comptroller in Congress to monitor the PBI's administration. (In addition, of its own accord, the PBI allows its clients to monitor its financial and administrative contracts.) The law also establishes regulations for uniforms, badges, and insignias. It seeks to professionalize police service by defining what constitutes a police career and establishing that all official posts must be earned through open competition, not by appointment.

This law also instituted the Honor and Justice Council, a group of officers appointed by the Federal District's secretary of public security. The council monitors police behavior and has the power to sanction conduct that is not clearly regulated by any law or code, such as assault and battery. Its punishments range from reprimand to reassignment to dismissal.

Another means of providing police accountability became official on July 18, 1996, when the president of Mexico signed into law the National Program of Public Security. This legislation included initiatives to coordinate the activities and efforts of federal, state, and municipal police. Its combined effect is to make public police accountable first to their immediate supervisors, then to the police corporation to which they belong, to the Mexico City chief of government, and, finally, to the president of Mexico. The Honor and Justice Council and several smaller entities can correct and punish police misdemeanors. High crimes are handled by the judiciary.

Legislation with respect to the private police corps is relatively new and scarce. The present legal basis for what is now a booming industry is the Law of Security Services Provided by Private Enterprise, issued by the Federal District's legislative assembly on January 18, 1999. According to the new regulation, private companies must appear on a public register and comply with new legal measures regarding recruiting, training, guns, equipment, and surveillance of personnel. In addition, Federal District authorities created an office to monitor companies and enforce the law, the Private Security Services Record Office. Officials at the Record Office, under the aegis of the Law of Security Services, have tried to forbid public officers from being involved in private policing. Nevertheless, it is not yet clear whether this public authority will have the right to control and monitor private police.

Legislation on bank security includes two federal laws: the Statute of Bank Security and Protection published on April 6, 1987, and the Guidelines on Basic Measures of Security for National Credit Societies, established in article 76 of the Regulatory Law on Public Services of Banking and Credit. In 1997, the government issued basic security guidelines requiring that banks develop ways to monitor and prevent bank assaults; in most cases these systems include radio communications and alarm systems, which connect to a central security system and to the authorities.

Operations and structure of bank security policing

The PBI

Although the PBI no longer plays the exclusive role it once did in providing bank security, it is still an important component. Its major work comprises surveillance of bank branches and administrative buildings, and protection of securities and cash in transit.

The PBI is the largest public police corporation in charge of banking security in the Federal District. It is actually a limited liability company. The force is regulated by the

Ministry of Public Security's Statutes of Operation, but it also has its own operations code. Police personnel are hired and trained directly by authorities of the PBI, not the ministry.

The PBI divides Mexico City into regions, each with its own cadre and zone headquarters. There are currently 16,748 PBI employees, 477 of whom are administrative personnel. The PBI is self-financed but not autonomous, since it has been incorporated into the structure of the Ministry of Public Security. It also receives no resources from the government of the Federal District; rather, it is obligated to turn over twenty percent of its earnings to the district's treasury. The government purchases patrol cars and equipment, while business and banks pay for officers' uniforms. The remaining eighty percent of PBI's earnings is almost entirely dedicated to the payroll.

Like all public police, PBI personnel do not have a permanent job nor are they allowed to organize as a professional corporation. They are not formally allowed to strike, and although it is not expressly forbidden to organize in unions, attempts to do so have resulted in the dismissal or reprimand of police personnel. They are also subject to the Public Servants' Accountability Act, the federal code that regulates the conduct of all public servants, as well as disclosure of financial and income information and ethical behavior. They provide this information to higher-ranking authorities of the PBI or the Federal District police.

Hiring and personnel policies. To be eligible to work for the PBI, a person must be a Mexican national, 18 to 29 years old, who has completed secondary studies. Applicants who pass an exam are enrolled in a three-month training course; on completion, they are ranked as basic police. After about three years, they are eligible for promotion to mid-level positions. Today, the average age of PBI police officers is 28. Eighty-two percent of PBI personnel have completed high school.

The PBI charges its clients an average of $127 per police officer per two-week period, and raises are negotiated in accordance with promotions. Banks are responsible for raises that result from changes in rank, but the chiefs of the PBI evaluate job performance and make decisions about promotion. There is a long history of complaints about this process because there are no clear rules to guide promotions.

PBI police officers appear to have better working conditions than employees of other public police corps because the PBI functions more like a business than a public bureaucracy. But salaries are not much different from those of other public police corps, and opportunities for extra income are fewer. PBI salaries fall below those of private security guards. Unlike most public police corps, however, the PBI offers such benefits as pension and private medical services.[42] Year-end bonuses and food stocks are discretionary, but these usually depend on the largesse of the clients (the banks) and not

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[42] Interview with Néstor Manuel Alvarado, General Director of the Banking and Industrial Police (PBI), PBI Headquarters, June 1999.

on the PBI authorities. PBI officers, like other public police, are charged for uniforms, pistols, and equipment.

Supervision. PBI assigns a large proportion of its officers to supervisory duties. Each region and each headquarters has an officer in charge who reports to the PBI police officer of the next highest rank, as well as to different bank officials—bank owners and members of the bank's security committee. At the top level of the organizational pyramid is the Police Operations Center, which reports directly to the general superintendent of the PBI.

In addition, there are officers responsible for services at each bank. These officers report both to the client and to the next level of authority within the PBI. Because of their close working relationship with bank security directors, they address nearly all of the requests of the banks and negotiate strategies and policies for preventing assaults and robberies directly. They are allowed to propose and suggest preventive measures at different levels; they supervise both bank and police personnel at every level. Any proposal, complaint, or revision of policy passes through their hands. In a way, these police officers act like sales managers: they are in charge of selling contracts, supervising clients' interests, and providing clients with the services required to maintain operations.

Bank Security and Protection (Seproban)

Seproban was created in April 1987 as a mixed public-private company. Its goals were to standardize security activities within banks, coordinate activities among federal, state, and municipal authorities, and provide support to police authorities in surveillance and in preventing and fighting bank assaults. In addition, it was supposed to research and design policies to combat bank crimes.

The company was financed with joint support from the federal government and the banks. Funds were used to purchase equipment and to recruit and train personnel. Seproban designed its own recruitment policy. The company's wages were fifty percent higher than the usual salaries paid to the rest of the public police corps, and there was a system of incentives. Seproban only gave bonuses based on the quality of service and for some special assignments.

This new model of hiring police for banking security was put into full operation in 1988. Although Seproban initially appeared to have been effective in fighting crime—the number of bank assaults declined during its first year—it was always hampered because its officers were not allowed to carry guns. Neither the Ministry of Defense nor the Ministry of the Interior provided the company with the necessary permits. By the end of the first year, organized crime had bounced back and the number of assaults once again increased.

Seproban responded by subcontracting its service to other police agencies. It obtained the assignments from banks, then furnished its own personnel to the PBI or, in some cases, the preventive police or other complementary police. Unfortunately, this system

was not cost effective and had decreasing returns in terms of efficiency. The banks argued that they were already paying enough taxes to the treasury and did not feel they should pay additional monies for bank security, which they viewed as a constitutional task of the federal authorities. They did not want to continue investing money in Seproban. The different police corps to which Seproban contracted its staff eventually would respond neither to Seproban nor to bank security committees.

Today, Seproban maintains only a radio communications and alarm verification system in the Federal District, connected both to the district's attorney general and to each bank's radio alarm system.

Other police forces from the Ministry of Public Security
Police officers from all services have traditionally viewed bank guarding as a type of punishment not only because it is riskier than other types of guarding, but also because it presents fewer opportunities to augment their income through such activities as extortion. In addition, it is often assumed that police on branch-guarding duty are there because of bad relations with their bosses.

Most police corps from the Ministry of Public Security have traditionally been outdoor guards of the bank system, while PBI and private police have been hired for indoor branch and building security. The outdoor corps are usually more at risk in the case of assaults, attempted assaults, shootings, or kidnappings. These corps, either individually or as gangs, have been dismissed most frequently due to suspicion of criminal activity and even convicted for involvement in assaults, robbery, or other bank fraud. These facts, together with such issues as the lack of training and trust, have led the bankers' association to stop hiring public police.

In 1998, Alejandro Gertz Manero, the minister of public security, decided to assign two police officers from either the preventive police or the auxiliary police (another one of the complementary forces) to provide outdoor security in all of the Federal District's bank branches. This followed a period of intense discussions about whose responsibility—federal or local government's—banking security should be. Bankers had protested indications from the government of the Federal District that it would begin withdrawing guards from the banks and, as a result, Gertz agreed to establish a system of bank surveillance with the bankers' association. A few months later, however, he announced that he would start assigning police officers to guard bank branches in select areas of the city. The bankers' association, which had not been consulted, resisted what it considered a unilateral decision. (The bankers have advanced inconsistent views on the subject of public policing. On the one hand, they have decided to stop hiring public police. Then they became alarmed when it seemed possible that public police would be withdrawn from branch-guarding activities—and protested again when public police were put back on the same job.)

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The judiciary police

The Federal District's Judiciary Police (which also report to the Ministry of Public Security) were recently restructured. In 1997, Mexico City's attorney general and the banker's association agreed to implement specialized strategies and create new units to fight bank robberies. One change was the creation of new elite police group specializing in the investigation and prosecution of bank robberies. It is made up of approximately sixty officers who are equipped with armored cars and motorcycles, plus a sophisticated radio communications system.

According to the members of the bankers' association's security committee, this force has been working effectively in most bank assaults, as well as in the prosecution of criminals. Unfortunately, in only two out of every ten cases at best are crimes solved or criminals convicted. The recovery rate for stolen money and securities is practically nil. The judiciary prosecution process is also a dead end in terms of prosecutions of accused bank criminals and corrections of police misconduct. In response, some bankers have become active in promoting a fight against impunity and the judiciary's lack of effectiveness, pushing judicial authorities to act promptly and efficiently.

Other operations carried out by specific banks

In this section, we discuss recent alternatives to contracting with public police that are being carried out by two of Mexico's principal national banks, Bank Bital and Banamex.

Bank Bital

Bital is one of the few banks that hire private police personnel to guard its branches. Its security strategy is carried out through contracts with three private corporations with long experience in Mexico. They provide Bital with highly trained and experienced personnel. They also design policies and procedures and subcontract with other private companies to develop such products as alarms, remote communications, and signals.

Hiring private police is expensive: Bital has 1,650 bank branches in Mexico, and it has decided to put at least one police officer in each branch. Considering an estimated cost of $5,000 a month for each police officer, they will have spent almost $900,000 in 1999 on private guarding.

The private police guard the interior of bank branches. They are prohibited from engaging in any working relationship with public police or with bank clients. They have radios and hidden personal alarms to communicate with the central radio alarm system of the bank. When alerted, members of the bank's security committee verify that it is not a false alarm and then report the case to the public police. Private police must report any suspicious behavior, as well as any irregularities committed by bank personnel, according to the security proceedings established by the bank. They do not carry weapons, but have soft armament such as nightsticks, as well as handcuffs and, sometimes, teargas.

Bital monitors hiring and training of personnel of the private companies. Branch managers are responsible for overseeing the behavior of guards. They punish companies whose guards do not deliver the specified services by restricting their contracts, but leave to the companies the discipline of individual guards. If a guard is involved in an assault or robbery, however, the branch managers submit the case to the legal department of the bank.

To improve guards' performance, the bank has established incentives, usually targeted at the company rather than at individual officers. In some exceptional cases, the bank provides food stocks or watches for guards who prevent an assault.

Banamex

Banamex has the most comprehensive history of bank security. Beginning in 1971, it suffered a series of robberies at several branch offices and subsequently learned that former police officers had been involved in some of these assaults. Trying to improve the security of its branches, in 1975 Banamex decided to stop hiring public police officers to guard bank branches. It organized a special security program and designed its own policies, which it carried out until bank nationalization in 1982.

In 1984, Banamex suffered its worst assault in Los Mochis, Sinaloa. After a commando unit attacked a branch office, police surrounded the site and attempted to enter the bank, producing several casualties among clients and personnel. This event was broadcast live worldwide.

One important lesson of this and other cases was that having guards inside branches failed to deter criminals and also increased the risk of violence. In addition, the cost of police services escalated (Banamex had become Mexico's largest bank) and bank officials were unhappy with guards' training and instances of corruption that were exposed. Also, it was clear that criminals were becoming increasingly sophisticated and that security needed to include technological solutions.

In the 1990s Banamex was among the first banks to implement the six basic security measures proposed by the National Banking and Securities Commission, which were later implemented by the bankers' association. Using the savings from personnel costs associated with Seproban, which it no longer used, Banamex invested heavily in high-tech security. It also began offering rewards to police or citizens who helped catch bank robbers.

Accountability of public and private police

Public police subcontracted by banks are subject to oversight by the police department or discipline by governmental boards for misconduct. Immediate monitoring of their day-to-day behavior, however, is carried out by banks and bank associations. Control of police by means of legal actions or lawsuits is minimal.

Private police contracted by banks are accountable to their security companies. Their behavior is regulated and monitored by bank security committees. Contracts establish the scope of authority of private police. Bank Bital, for example, sets up requirements and verifies the qualification and training of personnel. It does not allow these private officers to carry guns, nor do police have the power to make arrests. The principal task the police are expected to perform at Bital is to set off their personal alarms whenever they observe any irregularity inside the branch. They are instructed to communicate immediately to the central radio alarm system to confirm whether the alarm is a real threat or a false alarm.

Whether a police officer is a member of a private agency or the PBI, monitoring and disciplinary measures are usually carried out immediately. In cases like that of Bital, the bank punishes the contracted company, not the police officers, by restricting contracts. In this case, middle-level authorities within the company have a strong incentive to discipline and control their guards.

There are substantial differences in how each police corps regulates its officers' behavior. Within the public police, the basic response is an arrest for misconduct such as tardiness or a failure to wear the proper uniform or carry proper arms. If the misconduct involves a crime, police officers are summoned before the Honor and Justice Council. If the misconduct is judged to be illegal, the officers are turned over to the judicial authorities for prosecution.

In the case of private police, little is known about what happens to officers who engage in misconduct. When banks believe guards have acted illegally, they tend to present the case to judicial authorities. Banks are also now sharing information on assaults and building a database of delinquents. They monitor their branches and, if they identify a guard they believe has committed misconduct, they immediately notify each other and try to persuade public police to arrest the person. It appears that banks are hiring private detectives to assist them in this process.

Internal accountability
Internal accountability of the PBI. In the case of police misconduct, banking authorities report complaints to the PBI supervisors, who are charged with resolving the problem. The banks do not assume any responsibility for what happens to police personnel or to clients threatened by police personnel, nor do they respond to civil suits.

Sanctions against PBI officers begin with verbal reprimands and sometimes are combined with detentions and arrests at the police headquarters. Recurrent or serious complaints are referred to the Honor and Justice Council, which decides if the people involved will be fired. Dismissals are infrequent, but if bankers send a strong complaint, the PBI is forced to submit the case to the council for judgment and, if the council rules against the accused officers, fire them.

Internal accountability of Seproban. Civil supervisors at Seproban used to monitor their personnel daily, ensuring they worked only inside their assigned sectors. A sectional head of the PBI also supervised the Seproban police officers. This supervisor was accountable both to the general director of Seproban and to his bosses at the PBI. Whenever a police officer was caught in a misdemeanor, the civil Seproban supervisor reported the problem to the PBI sectional head. Then the PBI decided if the officer's case should be submitted to the Honor and Justice Council, or if the misdemeanor merited dismissal from the police corps.

Seproban created more accountability problems than the previous contracting system adopted by police and banks. In addition, Seproban's system made it more difficult to monitor personnel behavior and the performance of the different police organizations. For example, some Seproban police officers decided to make some extra cash giving their services to neighboring stores using patrol cars that Seproban had provided exclusively for the surveillance of banks. But during the period that Seproban managed police officers (1987-1997), it was never named in a civil or criminal suit.

External accountability

The bankers' association. Since 1992, the Bankers' Association of Mexico has been the principal organization designing bank oversight proposals and negotiating security measures with police authorities, primarily by means of its security committee.

Bank owners, high-ranking government authorities, and the Federal District's chief of police discuss overall patterns of security or highly problematic or criminal cases. In these discussions they often propose a change of bank security coordinators or operators, but usually they do not follow up. Unfortunately, when a new secretary of security is appointed—as has happened twice during the administration of the Federal District's current mayor, Cuauhtémoc Cárdenas—banks have to restart the talks and even redefine policies.

Representatives from the bank security committees also meet with local police chiefs, as well as officers and inspectors at lower levels, to express concerns about police behavior in branches. For example, they notify them when a police officer is caught harassing a client or when a police officer accidentally fires a gun. When a situation like this occurs, the bank security committee proposes changing the personnel.

When complaints about police refer to the behavior of public police outside branches, banks notify the authorities but do not monitor disciplinary actions. As a result, it is unknown whether the authorities take any disciplinary action.

Media. For all forms of banking police, media attention has never been positive. But much of the press coverage is inaccurate or sensational and has not fostered accountability. In fact, media coverage of the banking police has increased clients' feelings of insecurity and citizens' fears. Although bank robberies have declined

significantly in recent months, the media continue to give the impression that bank robbery is rampant and the police response is nonexistent.

Reporters often criticize public police for their involvement in bank security because they think banks are taking advantage of public services for private interests. In 1998, one reporter wrote: **"**The PBI has been used as a business and the companies hiring its officers are operating on the margins of the law, because when the PBI provides private security services it becomes a business, and this is not its function."[43]

In the 1990s, Seproban, worried about its image in the media, developed a monitoring program to evaluate newspaper coverage. It found that many robberies went unreported. According to Seproban officers, sometimes robberies that were reported had not actually occurred, or had taken place at different times, in different places, or with the involvement of different people.

Civil suits and criminal prosecutions against the police. Many banks dismiss the importance—or deny the existence—of lawsuits. For instance, they may claim that suits stem from private police actions to remove irrational clients from branches. Such cases are usually transferred to the legal departments of banks. Bank clients rarely obtain redress as a result of legal suits. Neither Seproban nor the PBI has ever confronted civil suits.

In cases in which clients have witnessed assaults or been victims of harassment or kidnapping, banks try to settle agreement with their clients in order to avoid civil suits, but there is no hard data on this.

Bital simply does not assume or accept any civil or criminal suits from clients. If clients sue the bank, they transfer the complaint to the private security company. Bital also insists that only security inside the bank installations is its responsibility. Once clients leave the branch, they are on their own.

Conclusion

Banking security in Mexico forces us to readdress the question of the relation between the public and the private domains. The evolution of the country's banking security provides lessons for the use of public police in private spaces as well as the problems that arise from combining private and public services.

Since the 1970s, public police have been unable to reduce crime and the insecurity in banks. There are many reasons for this, from the lack of a coherent public policy on banking police and security to police corruption to lack of incentives for positive performance. Whenever new regulatory measures arose, they were doomed to failure because there were no means to track the effectiveness of the new policies, or the officers

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[43] Bertha Teresa Ramírez, "The capital's police forces are being used as 'businesses,' accuses Desfasioux," *La Jornada*, 4 February 1998.

who implemented the reforms were removed. Accountability of the public police was largely controlled by the police system itself, while the client banks had little control over the police officers on their premises. Complaints about both police and higher-ranking authorities sometimes produced change of some middle-level officers, but never the desired shift in policies.

On the other hand, private police in banks are a costly investment, and their effectiveness is yet to be proven. But from the bankers' perspective, at least it puts them in a situation where they can regulate and monitor these officers' performance through contracts with the security company. Public oversight, however, is limited.

The Federal District's new Citizens' Participation Law establishes several security committees at different levels of government. While these committees should not replace other accountability mechanisms, they have the potential to make public and private police directly accountable to the public. The law has created a security committee within the Federal District that includes Mexico City's attorney general, the secretary of public security, and representatives from each of the district's 16 political *delegaciónes,* or delegations. At the next level, each political delegation has a security committee in which elected citizens can propose, discuss, and vote on security measures applicable to their particular area at each meeting. These committees control only the public police, but participants can propose measures to reduce or regulate private police serving as guards in the streets or other public spaces.

Public opinion has sustained an important discussion about whether public police should even be assigned to guard banks. Many people believe that public police should provide equal services for all businesses and citizens. In addition, using more resources to provide bank security could potentially displace crime to other sectors of the economy. Increased risk of assault or theft has merely been transferred to the banks' clients—citizens who are unable to afford similar protection.

Conclusion

The three case studies show us that private police can be made accountable in many ways. While governmental controls played a limited role, they can still be powerful incentives for private firms to develop internal controls. The firms we examined feel strong incentives to avoid embarrassment to clients, and display a clear aversion to civil lawsuits filed against their officers. Government oversight that threatens embarrassment to clients when their private security firms misbehave seems to be potentially effective, as are laws that make clients and security firms liable in the civil courts for the misconduct of their officers.

On the other hand, where public accountability does not result in strong internal accountability, it appears to be relatively ineffective. External accountability may have symbolic importance in its own right, but its functional importance appears to lie in its ability to provoke effective management and internal controls. This may turn out to be true of external accountability for public police as well.

More than a decade ago, a comprehensive assessment of private policing in the United States concluded that it might prove more benign than some experts had feared.[44] The authors of that assessment saw the trend toward privatization as irreversible, but they concluded that private policing was appropriate for certain routine police activities such as surveillance, parking enforcement, or traffic control. They predicted that privatization of some services would allow public police to concentrate on activities requiring more education and training. Five years later, however, another scholar reported that private police had begun to perform all activities once thought to be the exclusive domain of the public police.[45]

Our work substantiates both sets of observations. On the one hand, the private police in these studies are performing almost the full range of police roles. We saw that MetroTech officers in Brooklyn not only provided additional street surveillance, but also settled disputes between merchants and customers, removed signs of physical disorder, enforced norms of acceptable behavior, aided citizens in need, helped merchants in crime prevention, and responded to criminal incidents, scenes of accidents, and fires. The armed response services provided by Sentry Security in Johannesburg and the protection of banks in Mexico are more extreme examples of private firms performing the most complex functions of public police.

On the other hand, our work supports the view that this trend need not be destructive of civil liberties or public accountability for police activity. As we have seen, in the best private policing services, standards of training are high, exceeding the minimum requirements of both government and industry. The South African security companies described by Jenny Irish had extensive training programs that lasted up to six months.

[44] M. Chaiken and J. Chaiken, *Public Policing—Privately Provided,* Washington, DC: National Institute of Justice, 1987.

[45] L. Johnston, *The Rebirth of Private Policing,* London: Routledge, 1992.

MetroTech officers in Brooklyn attend the same training academy as public police recruits, albeit for a shorter time.

Private security services can be highly accountable, although not necessarily to all of the same governmental agencies that oversee the public police. The security services we studied in the United States and South Africa were professionally run, in part because they are subject to even more external control than many public police agencies. Not only are they subject to regular review by public agencies accountable to elected officials, but they are also subject to criminal investigation and prosecution, civil liability, and various public reporting requirements. These external controls created incentives for the employers of the private security forces to establish their own strong internal accountability mechanisms. MetroTech's public safety committee made it clear from the outset what was expected from the security officers. The board was heavily loaded with corporate clients who wanted to avoid embarrassing publicity that might result from the victimization of employees on their way to and from work, and from lawsuits or media publicity stemming from an abusive incident by a security officer. The South African private security companies similarly were motivated to avoid negative media coverage that might scare away clients.

These incentives apparently did not work in the case of Mexico City's banking police. According to Dr. Alvarado, the banking police were used as a dumping ground for misfits from the public police. They were poorly supervised by the police, and the banks they protected could do little to control their performance. Although the banking police were closer to the public model than the private police we studied in Johannesburg and Brooklyn, they were less accountable. Some officers even participated in corruption and criminal activity against their employers. In the end, banks simply began to design solutions to their serious robbery problem around the banking police. They employed private security officers in addition to the banking police and installed high-tech security equipment.

The experience of the Mexico City banking police reinforces the importance of aligning external and internal incentives for professional conduct among private policing services. When they are aligned, these incentives apparently can be an effective substitute for some of the state controls that govern the behavior of public police. Government can align those incentives by ensuring that the employers of private police are:

- periodically reviewed by an oversight agency that aggressively seeks public comment on the performance of the private firm;
- subject to civil liability in the courts for the misconduct of their officers;
- required to provide training to their officers appropriate to the roles they will play;
- required to document an annual review of each officer's performance against written standards;

- required to maintain records of their officers' movement and activities for occasional external review; and
- encouraged to participate in professional associations that certify firms' compliance with industry standards.

These safeguards can protect against misconduct by private police. But the strongest incentive for high standards of behavior by private police is accountability of the organization to clients. As long as clients have an interest in respectful conduct by private police, the officers' behavior is likely to be held to a high standard. The administrators of MetroTech's public safety program adopted the concerns of their corporate sponsors in creating and maintaining a good business environment. This meant keeping signs of social and physical disorder to a minimum, as well as avoiding any lawsuits or publicity stemming from mistreatment of undesirable people such as the homeless. On the other hand, if the message of the private police clients was to drive drug addicts off the streets at any cost, then private police would begin to act in disrespectful ways toward them, possibly abusing them and violating their rights as citizens. Government regulations and social controls such as media exposure can become necessary, direct mechanisms for keeping the behavior of private police in check. These mechanisms operate much more powerfully, however, when they create incentives for clients to exert their own control.

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