The Private/Public Security Nexus in China

Susan Trevaskes

Today the private security sector in China is booming. As of December 2006, almost four million authorized private security guards were operating, a 100% increase over the previous year.¹ The 2006 figure includes 930,000 security personnel who work for companies owned directly by China’s public security bureaus (PSB), and three million personnel who work for companies monitored and managed by PSB. In 2006, security personnel helped to capture 162,000 individuals suspected of committing crimes or misdemeanors, and provided police with 220,000 sources of information related to crime incidents (Wang, 2007). It is reported that in 2006, security guards prevented potential theft of property worth 2.05 billion yuan (U.S.$260,000) (Ibid.) and private security companies made 7.5 billion yuan (U.S.$940 million) in profit. In Beijing, there are 76,000 registered security personnel, compared to 50,000 police, and 18 cities and provinces in China have more than 50,000 registered security guards. The areas with the fastest growing numbers of security guards are Guangxi province and Tibet, where the numbers have more than doubled in one year (Ibid.). The four million legitimate security personnel are the tip of a much larger private security iceberg. Millions of unregistered or “black market private security” (heishi bao’an) personnel operate in uniforms almost identical to those of their authorized counterparts, and in some areas, the proportion of black market to legitimate guards is one to one.² In 2004, the number of illegitimate security guards in Liaoning province reportedly outnumbered the 72,000 registered guards and in some areas the proportion of illegitimate to legitimate was two to one.³

The system of registered private security was established and is run entirely by China’s police force in public security departments, bureaus, and sub-bureaus at the provincial, municipal, and county levels. This article surveys the complex relationship between the public/private sectors. It explores the tensions between two disparate interests, crime prevention and private profit, drawing the conclusion that security marketization—in an era of high crime and low public investment in crime prevention—has become a necessary but not unproblematic trademark of policing in today’s China.

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The Post-Mao Reemergence of Private Security

China now lays claim to one of the world’s largest contingents of security guards and to a history of private security that is among the world’s oldest and most enduring. In imperial times, the monied classes saw private security guards as an economic necessity. Any movement of wealthy people and their possessions required the presence of bodyguards. Thus, while the system of policing is only about 100 years old in China, as is the separation of China’s judicial and executive systems, private security guards have been an integral part of economic, political, and social life at least since the Song Dynasty in the 11th century. But this long tradition accounts only minimally for the rapid rise of the private security industry over the last 20 years.

The term bao’an (private security) did not exist in imperial times. Security guard companies were referred to as biaoju, meaning “bureau of guards” and were private security firms registered officially at the local government level. Their main task was to protect the movement and material possessions of wealthy people within and between cities. They also provided public services for local governments on important occasions such as the Lantern and Moon Festivals. These tasks of the biaoju resonate with private security work today; they are officially registered with municipal governments, operate within a market economy, and their customers pay for their services. They have a stable organizational structure and have a contingent of employees that is at least nominally trained. Today they are hired by public and private entities to act as guards, to provide transportation protection, and to protect public order during specific public events. The specific tasks of private security firms in China range widely and include:

- Guarding the entrances to government offices, community centers, entertainment venues, businesses, schools and universities, train stations, and airports;
- Performing surveillance work to prevent theft, fire, or property damage in large venues such as storage facilities;
- Patrolling private and public venues (public security agencies routinely employ private security to patrol public streets);
- Performing armed guard transportation services, escorting money vans to and from banks;
- Escorting dangerous goods such as explosives or chemicals;
- Providing door guard activities for entertainment venues such as clubs, cinemas, Internet cafes, and car parks;
- Acting as security personnel in hotels and shopping malls;
- Guarding exhibits at commercial, museum, and art gallery exhibitions;
• Providing security services for one-off large sporting events and arts performances;
• Retailing security-related equipment including surveillance materials, weapons, security doors, uniforms, and security vehicles;
• Installing security cameras and security systems in public and private venues;
• Acting as private bodyguards;
• Performing security consultancy services; and
• Performing parapolicing and other responsibilities that form part of, or are related to, the criminal justice system and are subcontracted out privately, including guard work in prisons, compulsory drug rehabilitation centers, and courts. Tasks include assisting prison officers, police, and court bailiffs in guarding defendants and prisoners (Liu, 2006: 3–126).

Private security services have flourished in China over the last two decades for the straightforward reason that the growth in crime has far outweighed the amount of public resources put into the public security regime. Importantly, then, they are also expected to deal with disruptions of public order. In this respect, their relationship with police and government is complex but congenial. Put simply, these parapolicing agencies are an indispensable armory of China’s police force in an age of unprecedented social and economic transformation. Michael Dutton (2006: 295) estimates that these firms perform around one-third of all police work in China’s cities. In the city of Guangzhou in 2007, the government plans to employ 2,000 additional police officers and 3,500 additional private security officers. Guangzhou city already employs over 30,000 police officers. The Guangzhou Communist Party’s politico-legal affairs secretary Zhang Guifang announced that 6,500 extra private security officers were recently recruited and are now referred to as “public order personnel” (zhì’ān yuán). Their tasks are first to focus on community crime prevention and second to prevent robbery and muggings by creating a strong presence on the streets. As he explained, “the function of these security officers is very important and the outlay [their wages] is relatively small…. This is also a good way to train them to become real police officers.”5

The contemporary era of private security began with the establishment of the “Chinese Shekou Private Security Firm” in the special economic zone of Shenzhen on December 18, 1984. In 1986, Premier Li Peng publicly encouraged the development of private security firms and by 1988, the State Council ratified a Ministry of Public Security report into the development of the industry. In 1990, 700 officially registered private security firms employed 110,000 registered guards, expanding to 1,500 firms with 270,000 guards by 1997 (Liu, 2005: 5–6).6

Although the imperial-era system of biaojù has a long history, Chinese authorities turned to the West to develop the contemporary lexicon and system of private
security. As in Western nations, private security provision is considered a service industry, although private security firms are a specialized enterprise associated with the system for maintaining public order. Security companies operate as private firms that are required by law to register as businesses with legal entities. Despite these similarities with their Western counterparts, Chinese private security firms exhibit a striking difference—they work at the behest of China’s politico-legal system. That they have flourished over the last 20 years is a consequence of what Dutton (2006: 295) calls “the commodification of security” in China’s reform era. As he explains:

The mass-line in security has become one vast network of tiny little workshops that repeatedly train cadres to think in terms of the market, the contractual relation, and the monetary reward. It is, in effect, marketization with a Maoist face. This marketization is a gift delivered via the contract from economic reform, and, as holds true for any gift, the only thing really given has been time. Time for the police to reform their own structure in line with the new demands of a modernizing China; time for them to shift and move from a preventative to a more responsive form of policing; time, too, for them to plug the structural holes in the system and change things so that a code of professionalization can replace a system that required revolutionary zeal (2006: 295–296).

The Institutionalization of Public Security in China

The Ministry of Public Security (MPS, gong’ anbu) is China’s principal policing authority. Police operate through the ministry at two organizational tiers. At the national level are 30 specialist bureaus (gongan’ ju) including, for example, the Narcotics Control Bureau and the Criminal Investigation Bureau, which have their headquarters in Beijing, and subordinate local units in all provincial, municipal, and county jurisdictions for criminal case investigation work at the municipal and county levels. The second and parallel tier of policing comprises the general policing departments (gongan’ ting) at the provincial level, with public security bureaus (gongan’ anju) that are subordinate to the provincial departments located in prefectures and large cities, and sub-bureaus (gongan’ fenju) at the municipal and county levels.

Chinese security organs operate under dual leadership. Administratively and financially, the local government and local Party committee at the same administrative level control the police. Professionally, they operate under the leadership of the higher-level public security organs at the provincial and national levels (Dutton, 2006: 279). This dual leadership arrangement reflects a divergence of institutional priorities for the police. Increasingly, police have been under pressure to professionalize their operations to come into line with the official rhetoric of “rule of law.” Yet, over the last two decades this official rule of law rhetoric has
been promulgated in conjunction with heavy-handed and draconian policing tactics in the form of Party-initiated campaigns. From the start of China’s reform period in the early 1980s, public security work has focused on a two-pronged approach to crime control, one focusing on crime prevention through the “comprehensive management of public order” (shehui zhi’an zonghe zhili) (CMOPO) and the other on “severely punishing serious crime” (yanli daji yanzhong fanzui), otherwise known as the “strike hard” approach.

The policy of “comprehensive management” was promulgated in 1981 as a key ideological and organizational tool for crime control in the new era. It was developed as an all-encompassing policy emphasizing education and punishment of criminals through coordination and cooperation between political, social, legal, economic, cultural, and educational bodies involved in managing crime (Trevaskes, 2007a: 104). The ideological and organizational rationale for CMOPO in criminal court work has its roots in what were called criminal justice practices during the mass campaigns of the 1950s. “Mutual coordination” of criminal justice activities, which is put forward as the hallmark of comprehensive management, is manifest in interagency coordination through the flexible joint handling of cases by the police and public prosecution. The term “comprehensive management of public order,” a scientific term appropriated from the technical field of water conservation, advocates the comprehensive management of crime through the proper management of the economy, politics, law, government administration, and ideology (Dangdai Zhongguo, 1993: 165). The rationale behind the policypathologized criminal behavior as a complex social phenomenon. Because its causes are equally complex politically, economically, ideologically, and culturally, this social illness or “syndrome” (zonghe zheng) must be “cured” comprehensively, with the participation of all sectors of society (Ibid.: 166).

Comprehensive management focuses on the prevention element of policing, but campaign-style tactics have been the leitmotif of the “attack” element of policing strategies, known as “strike hard” (yanda). Yan means “harsh” or severe and da means “to strike”—in this context, through the law. “Yanda” is shorthand for “yanli daji yanzhong xingshi fanzui,” or “strike hard at serious crime.” The name refers to a type of anticrime campaign and to a criminal justice policy used within, and independent of, large-scale Yanda campaigns (Trevaskes, 2007b). As a policy, it is a mechanism for dealing with serious criminals “severely and swiftly.” As an anticrime campaign, it takes two forms. The first is the large-scale “Strike Hard” (Yanda) campaign that runs for up to three years, focusing on a variety of crime targets. The second is the “specialized struggle” (zhuanxiang douzheng), which is a smaller-scale campaign targeting only one category of crime. The first Yanda campaign was from 1983 to 1986, the second was a shorter and less significant campaign in 1996, and the third was a two-year campaign from 2001 to 2003 (Trevaskes, 2002; 2003).

The Communist Party leads police in policy matters relating to crime con-
trol. Both the Yanda campaigns and the crime prevention strategies are initiated from the Central Party Committee’s Politico-Legal Affairs Committee (zhengfa weiyuanhui) in Beijing and are run under the leadership of the Party at national, provincial, municipal, and county levels. As is the case with other Party organizations, the Party’s politico-legal affairs committee has its parallel in the government, the “comprehensive management of public order committee” (CMOPOC) at each corresponding administrative level. Yanda campaigns, national specialized drives, and other policy initiatives are led either directly by the politico-legal affairs committee or via its counterpart in government, the CMOPOC. The CMOPOC is in essence a joint government and party organization, responsible for “comprehensive management” of criminal justice work; the politico-legal affairs committee and the CMOPOC are almost identical in terms of their personnel, organization, and work tasks (Lin, 2004: 400).

The Organizational Relationship Between Public and Private Security Forces

Private security organs operate as part of the CMOPO system (Liu, 2005: 27). In the year 2000, Chinese authorities convened the first national forum on private security in which the Ministry of Public Security defined private security firms as “a force that operates under the direct leadership and management of the public security organs that protect public order, and prevents and controls illegal and criminal activities.” Public leadership and management of the private security sector are made directly through implantation of leadership personnel and restricted ownership.

Liu Shanhun (2005: 25–27) has identified six main differences between public and private security forces. First, private security companies are for-profit enterprises, in contrast to public security organs that operate as the state’s official law enforcement organ to serve the public interest. Second, their authority to operate differs according to the legislation governing their powers: police operational powers are authorized in the Public Security Act (1995), which gives them special enforcement powers such as the use of force, use of weapons, detention of suspects, and so forth, whereas private security guards operate under the dictates of commercial laws such as the Contract Law. Only workers in certain sections of the industry such as transportation protection are permitted to carry weapons. Third, their responsibilities are not the same. Police are responsible for law enforcement, the safety of individuals and their legitimate property, and the maintenance of public order. Officially, private security providers are responsible only for the specific tasks set out in their contracts. Fourth, their work methods differ in the sense that police operate under a countrywide system (with county, municipal, provincial, and national levels) and their operations are covert and overt, whereas private security agencies operate individually to sell their services, which may include guard protection by individuals, technology, or intelligence. They are not permitted to
work covertly. They have a National Association of Private Security Services, but they do not have a unified national parent company. Fifth, police are regarded as a profession and recruits undergo professional training, neither of which applies to private security providers. Finally, police are funded by the state, whereas private security companies are funded through private investment (Liu, 2005: 27–29).

Public security authorities in each provincial, municipal, and county jurisdiction have a complete monopoly over the management and regulation of private security companies and the establishment and approval of new companies. Private security firms are structured hierarchically. There are 30 main security firms acting as a general parent company in each of China's 30 provincial jurisdictions. These parent companies in turn have direct leadership over hundreds of their subsidiaries operating in towns, counties, and cities, particularly through personnel. Public security organs control key staffing appointments in the parent firms. The director and general manager of each of China's 30 general security companies are seconded senior police officers. Public security officers are seconded to private security firms on a full-time basis as the firm's official legal representative. These officers may keep their police posts indefinitely and can even apply for promotions within the PSB while serving in the private sector. For example, in Xichang city, Sichuan province, the director and general manager of the city's main private security company is Zhao Yihua, who is a criminal detective seconded from the Xichang PSB. This organizational arrangement—with general companies having direct control over their subsidiaries and the PSB controlling key appointments—ensures that the PSB maintains its grip on leadership. Specific leadership duties are set out in the “Ministry of Public Security (MPS) Regulations on the Management of Private Security Companies,” promulgated in 2000 (hereafter referred to as “The Regulations”). It covers all aspects of the duties and responsibilities of the MPS and bureau under their authority in relation to the control and regulation of private security companies. The public/private security relationship in its infant years was uncomplicated; private security firms were businesses set up entirely under the auspices of the PSB. Until promulgation of “The Regulations” that nominally allowed private companies to run private security firms, companies could be owned only by the PSB. However, opening the industry to privatization did not sound the death knell for the PSB's monopoly over the industry. A 1999 Central Party Committee document issued a year before “The Regulations” were set in place stated that investment in private security firms could be made only via the PSB. This means that although the system is now privatized nominally, in reality, investors must use the PSB as a conduit for establishing, buying, and investing in security firms (Liu, 2005: 6). The PSB finances investment through private financing either through bank loans or private companies. By law, private investors cannot establish, buy, or invest independently, but must enter into official investment partnerships with the PSB. In practice, though, often PSB representatives have acted not as equal investment
partners, but as middlemen in a setup whereby local PSB accept private funding from individuals who are then placed in management positions within the security firm. In this way, the PSB resembles a security broker.

Operating a private security firm is not a trouble-free enterprise. Wages are very low and unregulated, producing a high turnover of staff. In Guangdong province, for instance, the annual turnover rate of staff was 30% in 2002 (Yue, 2002: 17). Firms are legally required to perform extensive background checks on individuals, which takes time and money. Moreover, the operating costs of legitimate firms are very high, even though wages are low, because firms are required to provide medical and life insurance, as well as staff training (Ibid.). For instance, the Shenzhen Municipal Private Security Company employed thousands of guards in 2002, but reportedly made only 10,000 yuan (approximately U.S.$1,500) a month in profit. Adding to these problems, police commonly see these firms largely as their handmaidsen, since these companies rely upon police financially and organizationally. Not surprisingly, police routinely interfere with their business decisions.

Registered firms must compete with black market outfits, as well as with each other. The police stamped out thousands of unofficial firms in the late 1990s, but they have continued to flourish with new uniforms and new company names, calling themselves “safety companies” (anquan gongsi) or “defense companies” (fangwei gongsi). Police in many provinces have continued to try to abolish the unofficial firms in recent years. For instance, in Jilin province, which borders on North Korea, in 2002 and 2003 police instigated a series of specialized drives against black market private security firms, many of which were underworld syndicates. Before the drives, black market companies controlled the armed security transportation services industry. Police decided to rectify the situation by wiping out the firms to make the industry a PSB monopoly, as the law requires. The drives involved a twin approach, to “clean up illegal firms” (qingli feifa) and to standardize the industry (guifan bao’an fuwu shichang). It took two years for police to bring the industry under the complete control of the PSB (Jilinsheng Gong’anting, 2005: 79–80).

Security services have thrived in China over the last two decades because public resources put into policing fell far behind the growth in crime. For the police and the public, private security outfits are a necessary parapolicing agency, but they lack the law enforcement powers of their counterparts in the police. This legal limitation means that when security are hired to guard public events, such as sports meets, their success depends entirely on their ability to work in tight concert with the police. This close working relationship brings to the job a number of tensions. Above all, private security guards are often placed in situations that lead to their use of excessive force.

Easily the most serious abuses of power by private security firms are those done at the hand of black market companies—in many cases simply using hired thugs—but legitimate firms have had their share of the bad publicity limelight. Most infringements by the legitimate firms relate to assault, illegal body searching,
illegal confiscation of identity cards, and demanding loan repayments using threats of violence. This kind of behavior is common even though "The Regulations" on private security set out clear guidelines on the limitations of the powers of private firms. Article 13 of "The Regulations" sets the boundaries clearly forbidding deprivation of an individual’s liberty, performing body searches or confiscating identity cards, striking an individual or using any form of physical intimidation, and accepting any assignment relating to the collection of unpaid loans or acting on behalf of employers to deal with labor disputes. Yet security guards who work for legitimate firms routinely contravene these stipulations. Negligent or intentional homicide committed by legitimate security personnel is infrequent, but assault is commonplace. When guards have been found to have committed an assault, usually the worst-case scenario for them is termination of employment. When the victim decides to litigate, however, they sue the company rather than the individual. For example, a security guard physically assaulted a tourist at "World Park," a popular entertainment venue, in Beijing in 2001. Although the security company dismissed the guard for the assault, it was sued by the victim for 400,000 yuan (U.S.$60,000), which amounted to the company’s entire annual profit.

A Snapshot of Security Work at the Grass-Roots Level

In 2003, at a national "public order crime prevention" conference organized by the CMOPC and the Central Politico-Legal Committee of the Communist Party, models of excellent policing and parapolicing were highlighted. One was the experience of private security in the city of Sanmenxia in Henan province, reported upon at the conference by the city’s Party committee and municipal government representatives. Sanmenxia police divide parapolicing work into two areas of crime prevention: street patrols and guard work. Patrol work follows a three-tiered approach. The first involves a combination of public and private patrol officers, including public order police, military police, and traffic police. This level of patrolling focuses on the main roads and buildings and facilities, including power stations, in the city. The second is operated by a local private security firm that specifically recruits unemployed workers and ex-military personnel. Seven teams comprising a total of over 400 personnel operate throughout the city, with each group devoted to patrolling particular streets, roads, and popular public venues. A PSB officer heads each team and is responsible for making arrests. The municipal government pays the company 1.5 million yuan (U.S.$188,000) from the city’s annual security budget. The third level comprises community volunteers, who patrol their own neighborhoods.

A three-tier approach is also used for private security guard duty work in Sanmenxia. The top tier is operated by a specialist security guard and surveillance work company that watches over key government offices, television stations, water reservoirs, petrol stations, and gas supply facilities, banks, hospitals, universities, hotels, and walled townhouse complexes. The local CMOPC requires these facilities
and offices to hire guards. The middle tier does guard work within small companies and small educational institutions. Private security firms do not run these units; they are effectively in-house and thus are similar to the internal protection units that were a mainstay of China's internal security regime in the Mao era and still exist in most large organizations and institutions in China. These “internal protection units” (neibu baowei danwei) place security officers in internal posts within all major educational, governmental, and commercial enterprises in the country. They are employed by the individual work unit (school, government office, and so on) and the head of the protection unit is either approved or seconded by the PSB. Traditionally, officers in the internal protection system in the Maoist era informed on employees, using their “special intelligence powers” (Cheng, 2003: 73) to spy on individuals. In this way, the PSB had direct intelligence and surveillance links into the nation’s education, research, and other sensitive institutions, and hence, a direct warning system about potential political unrest or dissidence within the education and other sectors. The reform era in the 1980s heralded a new focus for internal protection units, shifting from political dissidence to more basic security and protection of production.16 These days universities and other educational institutions employ their own private security guards who are directly responsible to both the head of the internal protection unit and the section head of the institution and are indirectly responsible to the PSB. Appointment to head of private security in educational institutions is approved by the PSB (Ibid.: 1–21).17

Though the tasks of the mid-tier level of guards in Sanmenxia city are almost identical to conventional internal protection units, these guards collectively call themselves “safety guard organizations” (anquan baowei zusi). These units are not run by the PSB and are not officially registered as private security companies. They operate as small businesses run by individuals who employ a few other individuals. Companies or schools hire these businesses on an individual basis and must pay their salary, social security insurance, and retirement pension. The Sanmenxia report notes that this tier of security has not been ideal and police are now encouraging organizations not to employ these guards, but to go through official security firms so that they have greater legal protections and few expenses. The lowest tier in the three-pronged approach to guard work in Sanmenxia comprises neighborhood watch teams consisting of retired civil servants and Party members. Community groups in the city are moving away from relying solely on this tier and are organizing to employ professional guard services in their residential building complexes.

The Politics of Parapolicing

The private/public security nexus has generated a new political meaning over the last decade or so with the dramatic increase in “mass disturbances” (quntixing shijian). Here citizens express their grievances through protests, sit-ins, or marches against corruption, forcible evictions, land-ownership disputes, political injustices,
and labor disputes.\(^{18}\) Up to 90,000 of these protests are staged each year.\(^{19}\) One recent incident in January 2007 exemplifies the situation:

At least 12 people were injured in China’s restive Xinjiang region when security guards armed with clubs and knives attacked workers protesting over unpaid wages.... Over 50 migrant workers were protesting in the regional capital of Urumqi when the security guards attacked them in front of an office building on Thursday.... The incident occurred at the building housing offices of the Yahong Land Development Co., which owed 14 workers a total of one million yuan (120,000 dollars) in back wages.... One worker was seriously injured but is expected to survive.\(^{20}\)

Another recent example occurred in Sanzhou, Guangzhou province when it was reported that:

thousands of rampaging farmers here unleashed their rage over confiscated farmland...holding local officials hostage and, clubs and bottles of acid in hand, forcing a band of private security guards to spend the night cowering behind locked doors.... The villages won their concessions...[and] they were promised an explanation of how the 200 private guards, many with buzz cuts and tattoos typical of Chinese gangsters, came to be in Sanzhou protecting the multistory apartment complex built on a prime piece of the confiscated farmland.\(^{21}\)

These recent violent clashes occurred despite the public security strategy promoted by Beijing to “contain, manage, and diffuse incidents” in a nonviolent way (Tanner, 2005; 2006). Tanner (2005) notes this as a shift from the suppression tactics commonly used for a decade beforehand.

Just seven or eight years ago security officials still seemed to hope they could either deter or quickly suppress nearly all demonstrations and strikes. At worst, they hoped they could promptly gain control over protests by keeping them short (several hours or one day), bottled up in their original work units, villages or factories, and prevent protestors from “linking-up” with disgruntled groups from other localities. Police analysts now frequently assert that some increases in protest are inevitable in a system growing and changing as fast as China, and clearly believe that for the time being, containment and management of protest is probably the best they can aspire to.

The problem with this general trend toward peaceful containment is that “it demands a far higher level of professionalism, training, flexibility, and self-discipline from local security forces nationwide, and...containment requires that local Party and government leaders facing protests respond as Beijing would have them
respond—striking a very delicate balance between permissiveness and repression, compromise and firmness” (Tanner, 2005). Given the sensitivity of the issue in relation to the responses of public policing, it is perhaps not surprising that private security personnel have been frequently called upon to break up these protests. However, this strategy too often results in violence, or at the very least, heavy-handedness. Article 12 (3) of “The Regulations” explicitly stipulates that upon discovering a crime, a public disturbance, a public order incident, or accident, security guards are not permitted to act alone and are required to contact police immediately. Guards are only authorized to “secure the area” and “assist police in preserving order at the scene.” Nevertheless, guards routinely intervene in public protests under the guise that they are helping the police to “preserve order at the scene.”

For instance, in 2006 in Dazu County, Sichuan province, a few hundred protestors who had (wrongly) suspected a county official of raping and killing a female, surrounded the hotel where he was staying. Guards forced protestors out of the hotel lobby by setting on them with a high-powered water hose. The general media consensus was that the guards had overstepped the mark, but the security company claimed that the guards were simply helping police to maintain public order at the scene. An even more extreme example occurred in Xiamen city in 2005, when 177 private security guards were stationed by PSB personnel in 210 primary and secondary schools and in universities across the city as a preemptive measure to quell student protests or fighting. The local PSB, concerned that the guards might fall victim to violent outbursts from students, chose a cohort of 30 guards to be specially trained in martial arts. They used the guards as a quasi-SWAT team in the event of public protest. The rationale for this initiative was that a private “rapid response team,” stationed full-time in educational institutions, would be on hand to quell protests more quickly than the police could. Chen Qingnan, PSB head of the Public Order Unit in Xiamen, even publicly praised the initiative.

Another example of the politicized parapolicing activities of private security agencies involves the municipal government in Xichang city, Sichuan province, which hired security guards full time specifically to deal with security during government-sponsored festivals and incidents of civil protest. In 2004, a labor dispute erupted between disgruntled workers at a coking factory. They had been promised fair labor conditions, but the factory’s new owner decided to tear up the earlier agreement. The conflict gathered heat, expanding to a protest involving thousands of people. The full-time private security personnel employed by the government, plus nearly 1,000 new guards, were called in to restore order. The sit-in lasted 20 days before guards were able to break up the protest. In appreciation for their efforts, the city mayor and the municipal Party secretary made a special visit to the company during the Spring Festival holidays to thank them and pay their respects.

A later and ultimately more contentious example occurred on March 16, 2006, when 212 private security guards were placed under the direct command of the Xi’an City Central Police Station. The contingent joined the regular police in pa-
trolling the streets and CBD buildings, with one group on night and the other on day shift. During the night, day-shift personnel were placed on call to intervene whenever a civil protest march or other mass disturbance occurred. As a thank-you for the guards, the police presented the security firm with a police car, riot gear, and helmets for their personnel.24

The Future of Private Security in China

The immediate future in China involves further privatization of private security. Liu Jinguo, deputy minister in charge of public order in the MPS, announced at an international forum on private security in China on September 20, 2006, that in accordance with WTO stipulations, China will open the private security market to domestic and international companies in 2007, thus breaking the PSB's 20-year monopoly on the market. On December 6, 2006, the Ministry of Public Security announced to the media that the market would indeed be opened to foreign investors and companies, but private security services involving the use of weapons (including armed transportation security) would remain in the hands of PSB-run companies. In the future, PSB will continue to own and run security companies. It will also be responsible for background checks on security personnel and for ensuring that companies meet the standards of entry into the market. The ministry's media statement also advised that the State Council would issue a new "Regulation on Private Security" that would legally ratify the changes by mid-2007.25

In the first issue for 2007 of the police magazine gonggong anquan (Public Safety), an article outlining the changes to private security announced that the draft "Regulation on Private Security" had been sent to the State Council for approval, with its passage expected in mid-2007. The magazine interviewed an expert on public security, Professor Wang Dawei, who stated that over the last 20 years, "the private security market has been divvied up among police units at all levels that have used their own resources to invest in companies in their jurisdiction. The private security 'industry' is not really a private industry as such, as it's controlled entirely by a PSB monopoly. The heads of these firms are the police and the development of private security has occurred entirely within a closed market of police administrative networks" (Peng, 2007). Among the three main problems Wang identified was that the relationship of the police to private security work had always been problematic. "On the playing field of the private security industry," he claimed, "the police are both the referee and the players. Therefore, it is difficult for the police to solve problems that arise within the industry." Second, since the PSB holds a monopoly, outsiders cannot enter the market. According to "The Regulations" passed in 2000, only the PSB can register companies. This, he says, "has caused an explosion in the black market private security industry, which has given rise to a number of incidents throughout the country." Third, the explosion of the black market occurred because the industry is closed and the officially registered companies cannot possibly satisfy market demand for security personnel (Ibid.).
Conclusion

This article has surveyed the forces that pull together the private and public security regimes in China, as well as the forces that push private security into potential conflict with public interests. Over the last two decades, dual requirements have been placed on private security firms. They pursue a profit motive and cater to private interests, while purportedly serving public interests in preventing crime and, more controversially, quelling public order disturbances. This duality of interests reflects a delicate balance between permissiveness and repression. Supply and demand have welded the private/public security nexus together. Policing has been commodified and sent back to the market to regulate social forces, but the police, not “the market,” truly govern supply and demand. In the future, China’s private security industry will be at the behest of more competitive market forces, and the police will begin to move from helmsman to regulator. In some places, the move has already begun. For example, in Hainan Island, the government has announced a dramatic increase in private security personnel since it is obligatory for all schools and universities to employ security guards. Foreign tenders have begun inquiries (Ibid.). Even before this period, in Guangxi province in April 2005, the Guangxi government tested a new model of privatization of private security, in response to its concerns over the high number of black market companies and the low educational levels of registered guards (67% had less than a middle-school education).26 In Xiamen in July 2006, the municipal government announced that Xiamen would further open the market and allow individuals and private companies to register in all areas of private security, apart from jobs that require personnel to carry weapons.27

Opening the industry in line with China’s WTO agreement will also mean that Chinese companies can tender their services overseas. On December 4, 2006, Taliban forces attacked Chinese railway workers in Afghanistan. Consequently, China Railways hired 150 American private security guards at an enormous cost. The general manager of Bodyguard Services, Mr. Hu Xiangyun, argued in the Chinese press that China should have entered the foreign market long ago. In his view, “the problem is that if China won’t open up its market, foreigners can’t be expected to open up theirs for China” (Ibid.). Clearly, private security in China is now on the unsteady path of globalization, where demand and supply are not so easy to control. Perhaps inevitably, this new world order of private security will be less sympathetic to a blurring of the private/public security nexus, as the forced interdependence of these two agencies loosens.
NOTES

1. This figure is from the Ministry of Public Security. See "Mingnian bao'an shichang duiwai kaifang, guowai qiye dai qiang, yuan shouxiandizhi" (The Private Security Industry Will Be Opened Up Next Year to the International Market, with Limitations Being Placed on Foreign Firms in Relation to the Carrying of Weapons and Transportation Security) Xinhua News Agency, at http://news.xinhuanet.com/society/2005-12/07/content_3886297.htm, December 7, 2007. Other media reports put the figure lower. See Wang (2007), for example, who says that there are only 2.3 million legitimate personnel.


3. At www.zendou.gov.cn (December 17, 2004).

4. One of China's most classic novels, The Water Margin, written during the Song Dynasty, has a story of a bodyguard. Spy novels involving private detectives in the Ming and Qing Dynasties were popular among the intelligentsia.

5. "Guangzhou zhengfawei shuji Zhang Guifang: meti zaocheng zhan xin yuei kuadahua" (Guangzhou Political-Legal Affairs Secretary Zhang Guifang Says That the Media Is Exaggerating the Gravity of the Public Order Situation), Nanfang dushibao (Southern Capital News, January 17, 2007: 1).

6. This article focuses on officially registered firms. An important distinction is made between official and "black market" firms that are much larger in number and are more difficult to control. In the 1980s and early 1990s in Guangdong province alone, there were 10,800 firms employing over 100,000 security personnel. The PSB had run three rectification campaigns in four years (1994 to 1998) to regain control of the situation. By 1998, there remained only 84 firms employing 80,000 personnel, all registered private security guards. By 2001, the PSB had regained the leadership hold over the firms and all personnel had undergone police background checks and basic training. The PSB has the authority to appoint key personnel, supervise the firms to avoid abuse of powers, and hand out monetary rewards and punishments. Since the late 1990s, local PSB sub-bureaus in Guangdong have all established a "private security management section." In Guangdong, the PSB has given over 200,000 prospective guards basic training (Yue, 2002: 15-19).

7. Adding to this tension, the pressure to professionalize has also been thwarted by the decreasing funds available at the local government level (Fu, 2003: 246-247).


9. Some large companies operate nationwide, not provincially, such as Jing'an Security Services, which has a monopoly over the retailing of specialist security equipment and weapons.


12. "The Regulations."

13. One highly publicized killing of an innocent victim occurred on September 30, 2001, when security personnel at the Beijing Wumai Supermarket accosted four individuals from Anhui province whom they accused of stealing chewing gum. Guards detained four men, beating them with steel pipes. Three were seriously injured and one died.


16. As Dutton (2006: 290-291) explains, in the Maoist era, the focus of protection units was on
“public and covert action designed to stop counter-revolutionary wreckers disrupting production.” In the post-reform era, protection units began to focus instead on safety matters and work practices within the enterprise that proved deleterious to production. This new, more limited and internally driven focus was further reinforced when a contract responsibility system tying security unit salaries to improvements in safety and production was bought into effect in the 1980s. Now their tasks “focused almost exclusively upon enterprise production, industrial espionage, and internal work unit affairs.”

17. Nowadays, China’s two most prestigious universities, Tsinghua University and Peking University, have police substations attached to the campuses. Over the last 100 years, all the main political protests in universities, including the Cultural Revolution, have come out of these two universities (Cheng, 2003: 188–189).

18. As Tanner (2005) notes, “Guangzhou police report that in 2003–2004, forcible evictions were the number one source of unrest in their city, accounting for more than 23% of all protests. Sichuan provincial public security officials report that in their province as a whole, the percentage of all protests caused by such property evictions grew 12% to 16.3% in 2001 and 2003. In the city of Chengdu alone, the figure was a stunning 61.”


26. “Guangxi quanmian tigao bao’an sushi, ni kaifang bao’ an shichang” (Guangxi Has Plans to Improve the Quality of the Private Security Ranks and Plans to Open up the Market). At www.ganzx.gov.cn/text_view.asp?newsid=8305.

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