


G I G A *Working Papers*

German  Institute of Global and Area Studies
Leibniz-Institut für Globale und Regionale Studien

GIGA Research Unit:
Institute of Latin American Studies

Private Security in Guatemala: The Pathway to Its Proliferation

Otto Argueta

No 144

September 2010

GIGA Working Papers serve to disseminate the research results of work in progress prior to publication to encourage the exchange of ideas and academic debate. Inclusion of a paper in the Working Papers series does not constitute publication and should not limit publication in any other venue. Copyright remains with the authors.

GIGA Working Papers

Edited by the
GIGA German Institute of Global and Area Studies
Leibniz-Institut für Globale und Regionale Studien

The GIGA Working Papers series serves to disseminate the research results of work in progress prior to publication in order to encourage the exchange of ideas and academic debate. An objective of the series is to get the findings out quickly, even if the presentations are less than fully polished. Inclusion of a paper in the GIGA Working Papers series does not constitute publication and should not limit publication in any other venue. Copyright remains with the authors. When working papers are eventually accepted by or published in a journal or book, the correct citation reference and, if possible, the corresponding link will then be included on the GIGA Working Papers website at <www.giga-hamburg.de/workingpapers>.

GIGA research unit responsible for this issue:
Institute of Latin American Studies

Editor of the GIGA Working Papers series: Bert Hoffmann
<workingpapers@giga-hamburg.de>

Copyright for this issue: © Otto Argueta

English copy editor: Andrew Blechman
Editorial assistant and production: Vera Rathje

All GIGA Working Papers are available online and free of charge on the website
<www.giga-hamburg.de/workingpapers>.

For any requests please contact:
E-mail: workingpapers@giga-hamburg.de
Phone: ++49 (0)40 - 4 28 25 - 548

The GIGA German Institute of Global and Area Studies cannot be held responsible for errors or any consequences arising from the use of information contained in this Working Paper; the views and opinions expressed are solely those of the author or authors and do not necessarily reflect those of the Institute.

GIGA German Institute of Global and Area Studies
Leibniz-Institut für Globale und Regionale Studien
Neuer Jungfernstieg 21
20354 Hamburg
Germany
E-mail: info@giga-hamburg.de
Website: www.giga-hamburg.de

Private Security in Guatemala: Pathway to Its Proliferation

Abstract

It has become commonplace to explain the proliferation of private security services as causally determined by crime rates and institutional weakness. By contrast, this paper argues that another explanatory factor needs to be emphasized, especially for post-war societies: continuity and change of social control mechanisms. The paper first presents the current situation with commercial and noncommercial private security services in Guatemala (private security companies, as well as neighborhood security committees). Against this background, it reconstructs mechanisms and critical junctures by which the Guatemalan state sourced out policing functions to the private sector during the war, and traces the reinforcement of these mechanisms in the post-war society. It argues that the proliferation of private security services is an outcome of the overlapping of different political processes and sequences. The continuity of social control mechanisms thereby emerges as a stronger explanatory factor for this proliferation, rather than the common justification of high crime rates.

Keywords: public security, private security companies, path dependency, post-war societies, Central America, Guatemala

Otto Argueta, M.A.

is a historian, a Ph.D. student at the GIGA Institute of Latin American Studies, and a DAAD scholar.

Contact: argueta@giga-hamburg.de

Website: <http://staff.en.giga-hamburg.de/argueta>

Zusammenfassung

Private Sicherheitsdienstleistungen in Guatemala: Wie kam es zu ihrer Zunahme?

Allgemein wird angenommen, dass die starke Zunahme der privaten Sicherheitsdienstleistungen als kausale Folge hoher Kriminalitätsraten und institutioneller Schwäche zu erklären ist. Demgegenüber wird in diesem Beitrag argumentiert, dass ein anderer Erklärungsfaktor hervorgehoben werden muss, vor allem in Nachkriegsgesellschaften: die Kontinuität und der Wandel der Mechanismen sozialer Kontrolle. Der Beitrag stellt zuerst die Situation kommerzieller und nichtkommerzieller privater Sicherheitsdienstleistungen (privater Sicherheitsunternehmen ebenso wie nachbarschaftlicher Sicherheitskomitees) in Guatemala dar. Vor diesem Hintergrund werden anschließend Mechanismen und kritische Zeitpunkte rekonstruiert, angesichts derer der guatemaltekeische Staat während des Krieges Polizeiaufgaben ausgelagert hat, und es wird nachgezeichnet, wie sich diese Mechanismen in der Nachkriegszeit fortsetzten und verstärkten. Die Folgerung daraus lautet, dass die starke Zunahme der privaten Sicherheitsdienstleistungen als Ergebnis eines Ineinandergreifens verschiedener politischer Prozesse interpretiert werden muss. Die Kontinuität bestimmter Mechanismen sozialer Kontrolle zeichnet sich dabei als wichtigerer Erklärungsfaktor ab als hohe Verbrechensraten.

Private Security in Guatemala: Pathway to Its Proliferation

Otto Argueta

Article Outline

- 1 Introduction
- 2 Unresolved Issues Regarding Research on Private Security
- 3 Private Security Companies in Guatemala: Conditions, Law, and Controls
- 4 Noncommercial Private Security: The Case of the Juntas Locales de Seguridad
- 5 Conclusion: The Reinforcement Mechanisms of Private Security Proliferation

1 Introduction

Beginning in 1986, Guatemala embarked on a political period marked by a succession of civilian governments elected through democratic procedures. With the exception of Serrano Elías's coup in 1993, Guatemala was clearly moving toward an electoral democracy in the context of an internal war and strong authoritarian structures (McCleary 1997). The signing of the Peace Agreements in 1996 ended the longest internal war in Central America. The institutional reforms embodied in the Peace Agreements addressed the main security institutions such as the army, the National Police, and intelligence agencies. The Security Sector Reform (SSR) was implemented to overcome a militarized and counterinsurgent conception of security. The transformation of political institutions and the SSR were part of a more general process of liberal peacebuilding. The security sector transformations sought to strengthen civil institutions designed to control and prevent crime in a democratic society, as well as focus on the public function of security. However, these institutional and political processes failed in different aspects: 1) in addressing the increase and diversification of crime; 2) in

preventing the subsequent uncontrolled private responses to it, such as lynching,¹ vigilantism, social cleansing,² and neighborhood organizations; and 3) in controlling the proliferation of private security companies (PSCs).

There are 289 PSCs operating in Guatemala. From those, 189 are authorized by the Ministry of Interior³ and approximately 100 function without permission. Existing records illustrate the growth of the private security sector. In the 1990s, there were between 70 and 80 PSCs. By 2004, 170 active companies were reported, of which only 82 were authorized by the government (Táger 2002:103). It was estimated as well that 31 were illegal PSCs.⁴ The number of authorized agents in 2004 was 60,000. However, taking into account the 99 remaining companies pending authorization, the estimated number of agents could have been 106,700⁵ — or five times higher than the total number of police officers. In 2007, there were 36,000 police and military personnel. From the police's point of view, there were 30,000 officers, of which 4,000 were assigned to administrative matters; the rest were divided into two 24-hour shifts for street patrol. Therefore, only 8,000 police officers were available on a day-by-day basis to bring public security to a population of 12 million Guatemalans (641 inhabitants per police officer).⁶

Private security companies proliferated in parallel to the transition to democracy and security sector reform — but without accountability mechanisms, and without a significant impact on crime reduction. Which factors explain this proliferation of private security? Conventional wisdom argues that the weakness of state security institutions and the increase of crime are to blame (Johnston 1999; Kempa 1993).

Taking the case of Guatemala as an example, I argue that the transition to democracy produced a formal institutional reform of the security sector, which, in turn, allowed former military personnel to maintain informal mechanisms of control through the private sector. Although the proliferation of private security began accelerating in 1996, the roots of the phenomenon are older. I propose that private security should be analyzed as an outcome of multiple reinforcement mechanisms that overlap in different temporal sequences. The emphasis is on the historical delegation of security functions by the state to private security organizations, and the continuity of control mechanisms. The central argument is that the pro-

¹ Between 1996 and 2001, there were more than 421 cases of lynching in Guatemala. MINUGUA: "Los linchamientos, un flagelo que persiste", 2002.

² In 2005, there were more than 70 cases of homicide exhibiting characteristics of "social cleansing", such as the use of torture, death stroke, messages into the bodies, among others. These characteristics were defined in a special report of the Procuraduría de los Derechos Humanos de Guatemala: "Las características de las muertes violentas en el país" (2006). Online: <www.pdh.org.gt/index.php?option=com_content&task=view&id=90&Itemid=139>.

³ Data provided by Registro Mercantil de Guatemala, March 2009.

⁴ "Crece venta de seguridad privada" *Prensa Libre*, January 20, 2006.

⁵ Informe de Desarrollo Humano para Centroamérica 2009–2010, UNDP.

⁶ By comparison, Costa Rica has 350 inhabitants per police officer; El Salvador, 332; Nicaragua, 557; Panama, 195; and Haiti, 1,889. Informe Sobre Desarrollo Humano para América Central 2009–2010, PNUD, p. 232.

liferation of private security has its origins inside public security institutions, and that the displacement of security functions reinforces the selection of private security due to political context and necessities. This paper seeks to identify the different mechanisms responsible for the proliferation of private security in Guatemala, both commercial PSCs and noncommercial civil security organizations.

Private security is considered a sociopolitical function in which nonstate security actors implement actions to protect themselves or the community. From a sociological perspective, private security is a segment of private policing that involves both commercial and noncommercial organizations (Johnston 1992; Shering and Stenning 1987). The concept of private policing shows how the theoretical distinction between public and private do not match with the large and complex forms of policing in particular cultural and historical contexts (Shering and Stenning 1987: 14).

The case of Guatemala shows that the historical reinforcement of private security weakened the effectiveness of public institutions because they were used as part of the counterinsurgent strategy and as a labor reserve for PSCs. Public security institutions, in a hybrid political regime, have to compete with a strong private security sector operating outside the democratic rule of law. Private security in Guatemala shows how informal authoritarian social control mechanisms reinforce themselves within the democratic process and provide continuity for former military and police officers in security matters. The culture of control (Garland 2005) — in which informal social control mechanisms adopt policing functions such as surveillance — is understood as a wide field involving state and nonstate practices and forms of crime control rooted in daily social activities that preserve a particular social order (Garland 2005: 38). This governmental process involves the enlistment of others, the shaping of incentives, and the creation of new forms of operative action. It is a part of a “responsibilization” strategy that extends the scope of public institutions by linking them with the practices of private actors and communities (Garland 2005: 213).

In general, it appears that historical trajectories (authoritarian regimes, internal wars, political instability) can explain the origins and evolution of private security services. I adopt a path-dependent analysis to identify the mechanisms through which the state has displaced its functions to the private, reinforcing it as a particular institutional selection. In this sense, the strengthening of public security institutions as part of the liberal peacebuilding process seems to be hampered by the existence of a strong private security sector that pre-dates the post-war increase in crime. An interplay of mechanisms of reproduction and critical junctures define the pathway to the proliferation of private security. The democratization process in Guatemala created an opportunity for the reactivation of organizational structures linked with security matters. The private security sector agglutinated these structures through historical mechanisms in which different actors in different sequences introduced themselves in a particular institutional selection. The mechanisms that reproduce the selection are understood as preceding steps in a particular direction, which consequently induce further move-

ment in the same direction (Pierson 2000: 252). These mechanisms reinforce a previous institutional selection, raise the cost of shifting it, and reduce the possibility of other institutional arrangements being selected at a certain critical juncture (Pierson 2004: 20). They emerge from historical circumstances that cause a particular institutional selection, and consequently define the self-reinforcing character of the path (Pierson 2004: 46).

By analyzing the proliferation of private security as an outcome of historical political processes, this paper intends to contribute to the debate about transformation processes in post-war societies (Kurtenbach 2010). The existence of a strong private security sector tends to introduce authoritarian practices into the restructuring of post-war political systems, thereby reducing the autonomy and legitimacy of public security institutions.

In Section 2, I discuss the current state of private security studies in order to bring an analytical base to the study of private security in Central America, and in Guatemala in particular. Section 3 describes the situation of PSCs in Guatemala, and in particular, state controls, regulations and the governmental roots of private security companies. Section 4 explains the noncommercial private security and its relation with crime rates. The paper ends with the identification of the reinforcement mechanism that has led to the proliferation of private security in Guatemala.⁷

2 Unresolved Issues Regarding Research on Private Security

There is extensive literature on private security, especially on the current conditions of companies in societies with Security Sector Reform programs. Some analysis has been based on private security spending, and has noted that it normally exceeds investment in public security.⁸ In conflict and post-conflict societies like Israel, Russia, the Philippines, and South Africa, the private security sector is the main employer of security personnel. The same situation exists in highly developed countries such as the USA, Great Britain, and some central European countries (Holmqvist 2005).

Some authors argue that the global tendency toward security privatization is a result of public sector reductions, as well as changes in the nature of conflicts after the end of the Cold War. These tendencies are deepened by the reduction of personnel, institutional weakness, chronic insecurity, and low-quality police (Richards 2007; SEESAC 2005). Excessive confi-

⁷ The interviews cited in this paper were conducted in Guatemala between February and March 2009 with PSC owners, members of JLS, and security experts. The documentary material comes from the Historical Archive of the National Police in Guatemala, recently opened in March 2009.

⁸ Richards (2007), Addressing the role of private security companies within security sector reform programmes; Gibson (2007), Regulated private security companies versus a professional security sector: a cautionary tale; Richards and Smith (2007), Addressing the role of private security sector reform programmes"; Holmqvist (2005) Private Security Companies, The case for Regulation; Clifford and Kempa (2000), The Role of "Private Security" in transitional Democracies, among others.

dence in the private security sector enhances institutional weakness, which leads to an unequal security distribution and access to public services. This, in turn, creates a false security perception and an inappropriate evaluation of real security necessities. This situation weakens the building of state security institutions and their legitimacy (Holmqvist 2005:12).

Another important theme in the literature is the absence of national and international regulations.⁹ The efficient regulation of PSCs could help bring public security to societies that otherwise lack state security institutions. On the contrary, it may work as an obstacle to the construction of democratic institutions in post-conflict societies. The current regulations enhance the lack of governability and accountability, especially when they delegate central state functions (Richards 2007).

Jeffrey Isima (2007) analyzed the case of Sub-Saharan Africa and argues that while strong states have the capability to retain core functions such as security provisions, weak states transfer these functions to the private sector, both locally and internationally. The low capacity of states to bring efficient and effective security has created a vacuum of security, which the private sector has “filled” as a response to a genuine citizen demand of security (2007:2). But it is not only the absence of regulation that is a concern. The lack of professionalism of private security agents has been the cause of violations of human rights and corruption (Gibson 2007; Perrin 2006).

A comparison between Angola and Afghanistan shows the different effects of private security and different paths to its proliferation. In Afghanistan, the majority of PSCs are transnational and began their operations as security services for businessmen and international executives. In contrast, PSCs in Angola are mostly local and proliferated during the peace negotiations to end the civil war. Rebel groups and the government both hired commercial military entrepreneurs (Joras and Schuster 2008). These cases show how context, political trajectories and conflicts determine different paths to the proliferation of PSCs.

Latin America is a good example of how historical trajectories (authoritarian regimes, internal wars, and political instability) can explain the origins of private security services. After the military withdrawal from public security institutions, institutionalized criminality (criminality in the public institutions) grew as a new form of criminality in a majority of Latin American countries. Nonpolitical forms of criminality were covered by the political violence, and nonstate security actors filled the security vacuum created by the withdrawal of military forces (Diamint 1988). Institutional weakness coincided with a rise in crime and corruption in the security sector. The corporative response of military and former military personnel in defense of their privileges led them to resist the civil sector and to boycott the democratization process (Diamint 1988:92).

⁹ Gibson (2007), *Regulated private security companies versus a professional security sector: a cautionary tale*; Issima (2007), *Regulating the Private Security Sector Governance in Africa*; Holmqvist (2005), *Private Security Companies, The case for Regulation*.

The proliferation of nonstate armed actors in post-war societies (some of them with a military past) is considered a basis of the post-war violence.¹⁰ The decade of the 1990s transformed the military function into corps of security and intelligence advisors for civil governments (Kruijt 2004: 758).

Arias (2009: 23) identifies that one of the main problems related to the private security sector in Latin America is the emergence of hybrid or mixed spaces between public and private, where the functions of public and private security overlap. A clear definition of spaces and functions of private and public security is directly related with the institutional capabilities of the states.

The consulted bibliography shows that there is a concern about the general situation of private security services in post-war societies, especially in regards to their regulations, professionalization, and control. There is an attempt to identify the effects of the private sector on post-war societies, especially on the rule of law and the legitimacy of democratic institutions. However, there is a lack of explanations regarding the continuities and changes to these services, pre-existing conditions, the importance of social and political contexts, institutional evolution, and reinforcement mechanisms that encourage the selection of private security services.

2.1 From Democratic Promise to Private Security Proliferation: Private Security in Central America

The proliferation of PSCs is an extended phenomenon in Latin America. In 2003, the total number of authorized private guards in the region was 1.63 million, and 2.5 million in 2007 (Arias 2009: 23). Frigo (2006) calculates that in 2006, approximately 2 million were unauthorized private guards. In relation to the number of private security personnel, Central American nations are number three on the continent. When viewed in terms of the total population, the ratio of private security agents has a stronger impact, especially where the number of state policeman is lower.¹¹

Central America exhibits special characteristics when it comes to the study of private security services, such as the existence of strong “political armies”¹², internal wars (Koonings and Kruijt 2003), and post-war contexts in which authoritarian enclaves and democratic processes coexist. In other words, the process of liberal peacebuilding in Central America has not achieved its objectives (full democratic guarantees, social peace, and democratic rule of

¹⁰ There is an extensive literature on nonstate armed actors. See Guzmán 1993; Jaramillo 1993; Salazar 1993; Kruijt 2004; Alba Vega 2007; Kurtenbach 2003; Koonings 2004.

¹¹ In 2007, the total number of police officers in Central America was 71,955 (193 police officers per hundred thousand inhabitants). Calculated using OCAVI data, <www.ocavi.com/index.php?mod=docs_summary&cat_id=44&country_id=4&page=0&order_by=pubdate>.

¹² Koonings and Kruijt define political armies as military institutions that consider political participation and control over internal politics as a central task of legitimate functions. More about this concept in Koonings, Kees and Dirk Kruijt (eds) (2003), *Ejércitos políticos: las fuerzas armadas y la construcción de la nación en la era de la democracia*.

law) due to the persistence and interplay of historical political processes, namely the socio-economic context, war, and post-war transformation processes (Kurtenbach 2010: 18).

Table 1: Guards Hired by PSCs in Latin America

Country	Inhabitant	Number of guards	Guards per hundred thousand inhabitants	Police officers per hundred thousand inhabitants
Brazil	177.3 million	580,000	327	146**
Mexico	103.3 million	450,000	435	324*
Central America	38.4 million	234,941	611	187****
Colombia	44.5 million	190,000	427	266**
Argentina	38.4 million	110,000	286	549*
Venezuela	27 million	65,000	240	429***
Peru	26.9 million	55,000	204	234**
Chile	15.7 million	60,000	382	225**
Total	471.5 million	1,744,941	370	

Notes: *2003; **2004; *** 2007; ****2008.

Source: Author's own compilation with data from Arias (2009): Seguridad Privada en América Latina: el lucro y los dilemas de una regulación deficitaria, FLACSO/Chile; Informe de Desarrollo Humano 2009–2010, UNDP; Observatorio Centroamericano sobre Violencia; Policía Nacional de Colombia; Comisión Nacional para la Reforma Policial de Venezuela (CONAREPOL).

The proliferation of PSCs in post-war Central America occurred in parallel to the peace negotiation process. Although Honduras did not have an internal conflict like Guatemala, El Salvador and Nicaragua, the country was the operations center of counterinsurgent groups sponsored by the US Government. The military sector grew without controls or international observation. Honduras did not implement a security sector reform, and crime rose at the same rate as in the rest of the region. The private security sector grew because of the political violence in neighboring nations (Castellanos 2003).

The proliferation of private security during the transition to democracy did not have an impact on crime. Homicide rates in Guatemala and El Salvador increased between 1999 and 2002. By comparison, crime in Costa Rica and Nicaragua was more stable and much lower.¹³

Records kept on PSCs in Central America vary greatly in each country. In El Salvador, records include a wide variety of private security services — something that does not happen in other countries.¹⁴ In Guatemala, existing laws regulate only those services with police-like structures. Individual private guards and private investigations are not included in the records. These sorts of deficiencies in the records make impossible to draw a realistic picture of the private security sector's dimensions, i.e. the number of commercial and noncommercial, formal and informal private organizations.

¹³ There are different factors that explain the different situation of Nicaragua and Costa Rica respect the rest of the region. From a discourse analysis perspective see Huhn, Oettler and Peetz (2006); Kurtenbach (2008 and 2010).

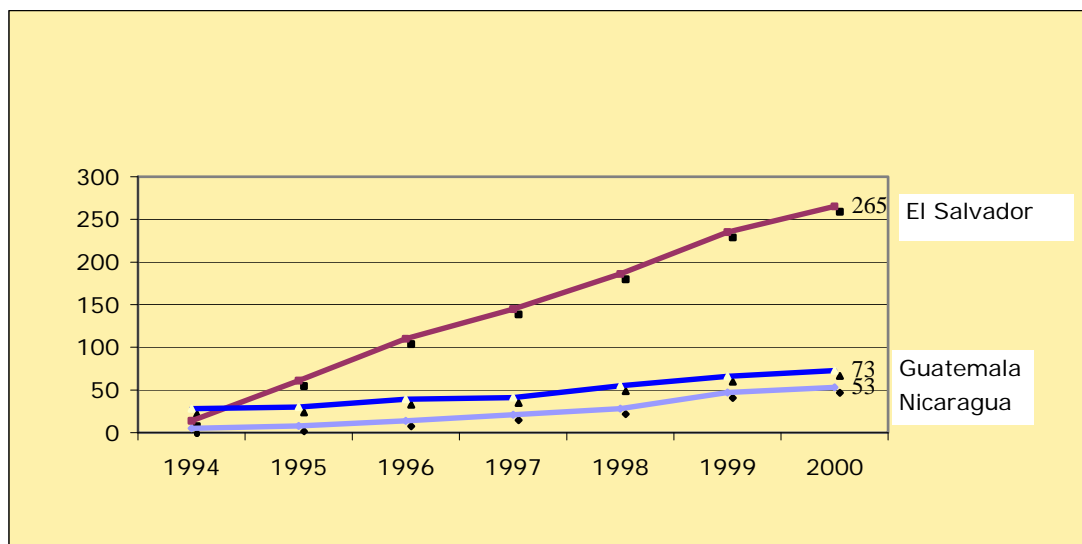
¹⁴ Existing laws regulating private security services in El Salvador define their services in a broader sense than other countries in Central America. La Seguridad Privada en Centroamérica. Fundación Arias para la Paz y el Progreso Humano, Mai 2003.

Table 2: Homicide Rates per 100,000 Inhabitants in Central America by Year

Country	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Guatemala	21	20	21	29	26	18	28	30	32	37	38	44	47	45	48
El Salvador	–	46	45	38	44	38	45	40	39	40	49	62	65	57	52
Nicaragua	6	–	6	6	6	7	9	10	10	12	12	13	13	13	13
Honduras	–	–	–	–	–	–	–	–	69	65	35	37	46	50	58
Costa Rica	6	5	6	6	6	7	6	6	6	7	7	8	8	8	11
Latin America	20	20	21	20	21	21	22	23	23	22	21	18	25	20	–

Source: Author's own compilation with data from Mapa de violencia: los jóvenes en América Latina, 2008. Red de información tecnológica Latinoamericana, RITLA. Instituto Sangari, Ministerio de Justicia, Brasil. Data from 2000, Informe de desarrollo humano 2009–2010: abrir espacios a la seguridad ciudadana y el desarrollo humano, United Nations Development Program.

For these reasons, private security in Guatemala has been handled from a descriptive perspective (Táger 2002), as well as from a judicial point of view (MINUGUA 2002; CDDHHCEC 2004). These studies agree that the expansion of the private security sector is not only a result of new forms of criminality, but also weaknesses in state security institutions, and a strong army presence in Guatemalan society. Another aspect of private security studies relates to noncommercial security organizations, which vary depending on historical and contextual factors (Lambach 2007).

Figure 1: Record of Legal Private Security Companies

Source: Author's own compilation with data from La seguridad privada en Centro América, Fundación Arias para la Paz y el Progreso Humano (2003) de 2002–2004: Informe Nacional de Desarrollo Humano 2005, UNPD.

There is a strong tendency in Latin America to organize neighborhood security committees. According to recent research, when such organizations originate with public institutions, the links between public force and population tend to strengthen in a collaborative manner. These organizations have different names, but serve the same informal social control function. Examples include: neighborhood preventive councils in Buenos Aires; local security fronts in Bo-

gotá; citizens' committees in Mexico City; community security councils in São Paulo; and neighborhood committees in San José, Costa Rica (Arriagada 2000; Frühling 2003).

Violent actions promoted by neighborhood and communal organizations are considered related to the concept of vigilantism. These sorts of coordinated neighborhood patrols can result in repressive actions based on "undesirability" or criminal presumption (Ávila 2005). It often results in the transfer of crime from one area to another, rather than its prevention or eradication, and becomes an informal mechanism of social control (Klein 1989).

The displacement of a state's security function to the citizenry has been studied as a historical practice that has accompanied the formation of nation-states since the end of the nineteenth century. Negotiations between the state and its (nonstate) collaborators expanded the state's authority in exchange for indirect benefits, such as power, riches, and goods (Holden 1996:441). These collaborative forms — vigilante groups, civil patrols, and security neighborhood committees — are linked with nonstate armed organizations for self-defense. The objective of the self-defense function is to protect a community against aggressions, both from state security groups or insurgent armed organizations (Gottschalk 2005; Bénit-Gbaffou 2008). This was a dominant situation in Central America during the 1980s and 1990s. Today PSC hiring depends on economic status. When such status is lacking, social organizations form spontaneously. Both commercial and noncommercial private security, as well as the massive provision of legal and illegal operations, define the wave of security privatization after internal wars and authoritarian regimes (Mandel 2001).

3 Private Security Companies in Guatemala: Conditions, Law, and Controls

Guatemala's spending on private security in 2005¹⁵ was US\$574.3 million dollars (1.8 percent of the GDP). From this, private homes spent 29.4 percent, and companies, the rest. By contrast, a reduction in the public sector is clear given the low investment on internal security (US\$234.6 million in 2005).¹⁶ It was not until 1999 that the internal security budget exceeded the military defense budget and the trend was irregular regardless.¹⁷

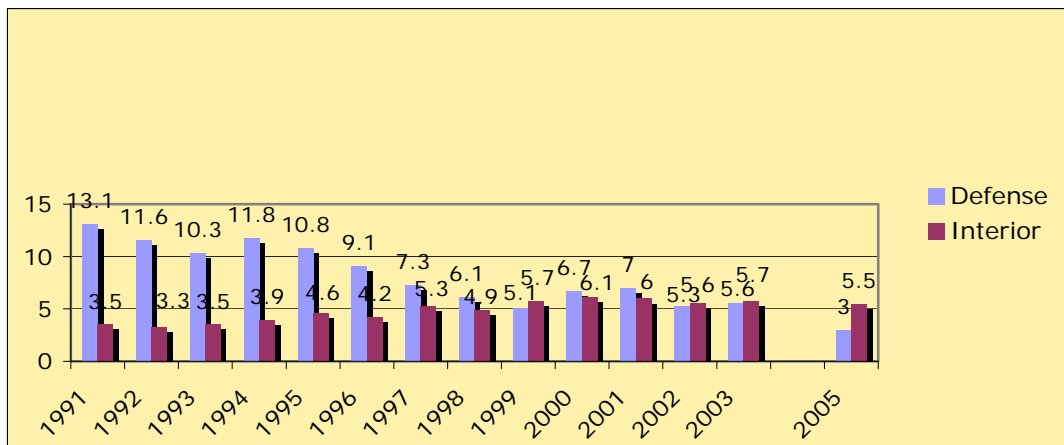
The budget allocations for internal security never covered the full necessities of institutions like the National Civil Police or civil intelligence. The available data shows that in 2005 private security spending exceeded the budgets of the Ministry of Interior and the Ministry of Defense.

¹⁵ There is no reliable information for the following years.

¹⁶ At 2005 exchange rates. Online: <www.banguat.gob.gt/cambio/historico.asp?kmoneda=02&ktipo=5&kdia=01&kmes=01&kanio=2005&kdia1=01&kmes1=12&kanio1=2005&submit1=Consultar>.

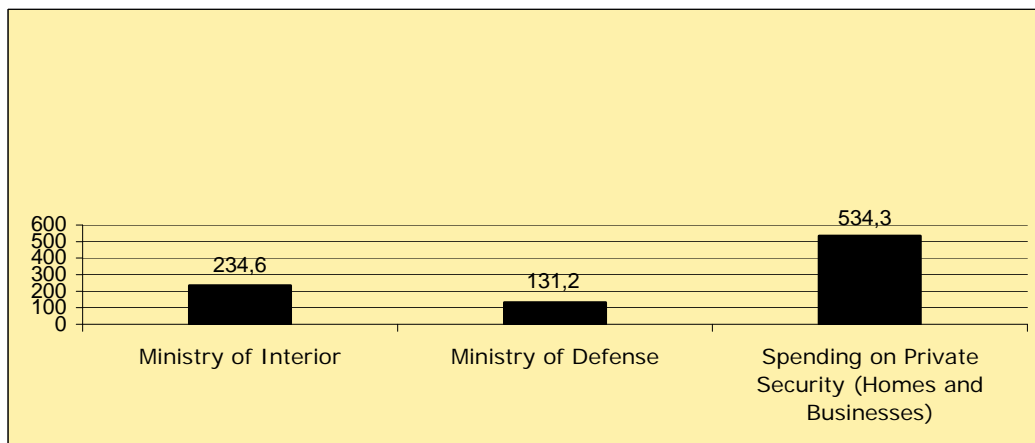
¹⁷ The internal security budget is presented here as a global amount, but because the Internal Ministry in Guatemala has another activities unrelated to security matters (governmental editorial, department of migration, lotteries, public celebrations, etc), the specific budget for security matters is lower.

Figure 2: Percentage Relationship between Public Spending in the Ministry of Defense and Ministry of Interior and Central Government Spending (in percent)



Source: De León-Escribano, Carmen (2004) Presupuesto de defensa en Guatemala, Instituto de enseñanza para el desarrollo sostenible, IEPADES and <www.minfin.gob.gt/index.php?option=com_content&view=section&id=28&Itemid=110>.

Figure 3: Ministries' Budgets and Spending on Private Security Guatemala 2005 (in million US Dollars)



Source: Author's own compilation with data from De León-Escribano, Carmen (2004) Presupuesto de defensa en Guatemala, Instituto de enseñanza para el desarrollo sostenible, IEPADES; United Nations Development Programm (2006): Costo económico de la violencia en Guatemala, Programa de seguridad ciudadana y prevención de la violencia, UNDP. The currency exchange rate in 2005 was 7.57 Quetzales to one USD. Information available at: <www.banguat.gob.gt/inc/buscar.asp?query=bcos>.

Most of the security companies operating in Guatemala are local, meaning that they were founded in Guatemala. The small number of transnational companies (for example G4S) can be differentiated only by their particular brand; they operate in the same manner as local companies. These kinds of companies relinquished international quality standards, and reproduced the logic and mechanisms of the local private security market. ("Without this rejection, the international companies could not have the ability to compete in a market with its

own rules.”)¹⁸ These informal rules are directly related to the situation of the records and controls carried out by state institutions.

The Guatemalan government has few possibilities for effectively controlling the private sector. Guatemalan laws that regulate the private sector do not include personal private security services (generally delivered by one person in coordination with others, but not integrated into a formal company) in their legal definition of private security. For this reason, the number of private security organizations can only be estimated. Laws regulating the activities of PSCs were passed in 1970, and in 1979 the government issued a decree that regulated the activities of State Security Forces and Private Banks (Táger 2002:105; MINUGUA 2002:74). During the 1970s, PSCs concentrated mostly on the provision of guards. The diversification of services became characteristic of PSCs in the 1990s, which is an aspect that existing laws do not regulate adequately, along with hiring criteria, professionalization, and training.

PSCs are legally authorized to operate when they have a Ministerial Agreement. The process for obtaining this document requires a substantial investment of time and money to meet the long list of legal requirements. The process can take up to three years, but a bribe can reduce it to a few months, depending on the owner’s former military rank and on the size of the bribe.¹⁹ The law allows for a company to operate while the authorization is in process. This situation could be postponed for years if an owner doesn’t have an interest in finalizing the process. A common practice for operating without authorization is to rent a Ministerial Agreement from companies that have two or more of them. This mechanism is called “coverage” and generates extra income for these companies. Aside from renting an authorization, illegal companies also rent uniforms, guns and agents from other companies.²⁰

The Division for Supervision and Control of Companies, Entities and Private Security Persons (División de Supervisión y Control de Empresas, Entidades y Personas Individuales de Seguridad Privada; onwards “Supervision Division”) is the only agency within the National Civil Police with responsibility for controlling PSCs. This unit is understaffed and is only able to control authorized companies (unauthorized companies do not have records in the institution regarding the number of agents, arms, services, etc.). One consultant of the Supervision Division identified the absence of identification of agents and arms as the most pressing problems. For this reason, when the police capture illegal agents, it is only possible to prosecute them for illegal possession of arms. The only potential losses for a company are its guns, which are subject to confiscation. A company may therefore prefer to buy a new gun, rather than providing legal advice to an incriminated guard.²¹ Due to high levels of corrup-

¹⁸ Interview with Jorge Sierra, ALMO Group. Guatemala, March 2, 2009.

¹⁹ Interview with an advisor of the División de Supervisión y Control de Empresas, Entidades y Personas Individuales de Seguridad Privada, Guatemala, March 12, 2009.

²⁰ Interview with an advisor of the División de Supervisión y Control de Empresas, Entidades y Personas Individuales de Seguridad Privada, Guatemala, March 12, 2009.

²¹ Ibid.

tion in the Police, PSCs consider the Supervision Division as a mechanism for avoiding state controls. “The unit of control is necessary, but, more important, when it is neutralized.”²² This means that the existence of the Supervision Division as a public institution is important as long as its work does not interfere with the activities of illegal private security companies.

Another problem faced by the Supervision Division arises when a control officer tries to carry out a control visit to a PSC. In that case, the owner imposes his former military rank, thereby avoiding legitimate controls that could uncover illegalities. Because company owners and higher-level employees are often former military or police officers, they enjoy respect and authority due to the structure of hierarchies, despite their new job status.²³

Tax evasion is another problem associated with PSCs. The Director of Institutional Planning and Development of the Superintendence for Tax Administration (SAT), explained that PSCs are taxed depending on the type of economic activity the companies perform. For tax purposes, companies can be registered as a cleaning and repair service business and offer security services on the side, for example. They are not legally required to specify the services they offer.

Another tax evasion strategy is to hire security personnel as freelancers. Freelancers have no social security guaranties, or a permanent labor relationship with the company. Both factors reduce a company’s tax burden. Once an employee is dismissed, the company may keep the tax file active to use it to hide other illegal activities, for example the purchase of guns and ammunition.²⁴

In 2001, the SAT reported 144 private security companies. In 2008, the number of PSCs was 289. The SAT has more PSCs registered than the Ministry of Interior, which means more tax control but weaker security and quality controls. Companies that may be illegal for security reasons are still legal for tax reasons.

Despite the increase in the number of registered companies, the tax paid by these companies has decreased as a percentage of GDP. There are different factors that explain this phenomenon, namely the size of the companies, the way in which personnel is hired, tax revenue mechanisms, and tax evasion, among others. My interest is to show how the variety of mechanisms to create PSCs — and the weak institutional capabilities to control them — can be a strong factor behind the informal actions of PSCs. Tax evasion contributes to the high profitability of private security businesses, and for this reason Guatemala is considered a “paradise of non-regulated PSCs”.²⁵

A good example for illustrating the PSC situation in Guatemala is the Ébano Group, which started operations in 1979 as private security service for the banking sector in response

²² Ibid.

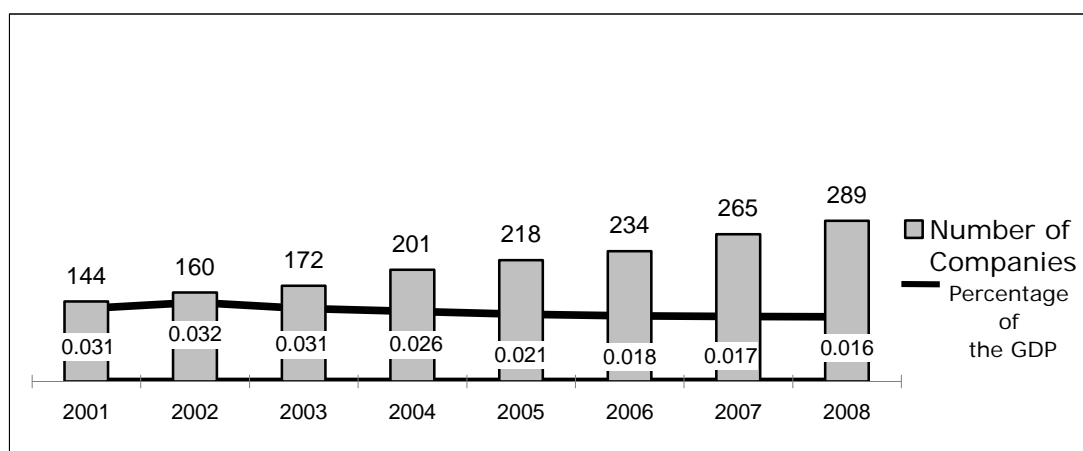
²³ Ibid.

²⁴ Interview with Ing. Manfredo Chocano, Director of Institutional Planning and Development, Superintendencia de Administración Tributaria (SAT) Guatemala, February 19, 2009.

²⁵ “¿Están ellos preparados?” *Prensa Libre*, October 10, 2004.

to a wave of bank robberies and insurgent groups attacks. The company employed National Police officers, paid their salaries directly to the Police Chief and gave them company uniforms. Ébano has since diversified its activities, creating different companies for each security area: PROVAL for high-value and TRANSVAL for lower-value transportation, and Linker Monitoreo for monitoring geopositioning. These subsidiaries are not registered as PSCs but offer private investigation services, property protection consultation, the rescuing of people and goods, etc.²⁶ All of these services are provided by informally hiring police officers and investigators from the Public Ministry.

Figure 4: Number of PSCs and Tax Revenue from PSCs as a Percentage of the GDP



Source: Author's own compilation with data provided by SAT. The percentage of the GDP was calculated using the GDP deflator of 2001 to adjust the tax revenue to the inflation index. The fiscal deficit in 2008 corresponded to 1.6 of the GDP. Online: <www.banguat.gob.gt/inc/main.asp?id=36512&aud=1&lang=1>.

A marketing study conducted by one of these security companies showed that 89 percent of authorized PSCs offer guard services and 26 percent offer electronic security systems and guards. Nonetheless, 69 percent of the companies studied do not have records of their operations.²⁷ There are two reasons for this: the companies are illegal, or they started without originally offering security services. Because electronic and investigative security services are offered under the cover of other companies, they are not defined as security services and therefore not monitored.

An interviewee described Ébano's hiring process as follows. The company sets up a stand in poor rural communities. Applicants must be between 18 and 25 years old. Selected applicants are then taken to the company's central offices in the city. The company first reviews an applicant's documentation and performs a short background check, then administers medical and psychological tests, as well as a polygraph test. The applicant must know how to read, write and speak Spanish, and be at least 1.65 meters tall. It's not unusual for an applicant to complete an employment application with the help of administrative staff, due

²⁶ Interview with Jorge Sierra, ALMO Group. Guatemala, March 2, 2009. The Public Ministry is responsible for criminal investigations and prosecution in Guatemala.

²⁷ Ibid.

to educational limitations. Once the above requirements have been met, the applicant receives a two-day training on security procedures, laws, and weapons.

There are two different types of guards. The first type is a typical guard with a shotgun who has no experience in security issues and weapons. This sort of guard costs less and used widely. His service offers the protection of life and property by displacing crime to areas without guards. This is a deterrence function more than a preventive one. Legal and professional restrictions limit these guards from executing preventive security actions. If the client wants to hire a guard with weapon experience, he must pay the weapons training offered by the same security company. This second type is the VIP guard, which is generally an ex-military officer with full training in security and weapons usage. This sort of guard is the most expensive of all.

PSCs owners have traditionally rejected legal reforms by arguing that existing controls are sufficient, and that the minimum age to use weapons is 18 years (the legal minimum today is now 25 years). In addition, they reject the minimum wage set for guards. A normal guard earns Quetzals 1,000 monthly (approximately US\$130) for 10 hours of work daily.²⁸ Company owners further claim that it is increasingly difficult to find young people with military experience and “the mystique and discipline of the army.”²⁹ This was not the case in previous years, but since the abolition of the obligatory military service and the downsizing of the army these sorts of employees are difficult to find. During the 1970s and 1980s, the army was the “training school of PSCs.”³⁰

The current situation with private security companies in Guatemala reflects how the historical displacement of state security functions limits the capabilities of public security institutions, especially in regards to controlling PSCs. The existence of a weak public security sector has benefited private security sector profitability, and grants it de facto legal impunity. The increase in crime since 1996 stimulated the public’s demand for security. The interaction of political change processes and security institution reform have transformed the private security sector into a mechanism for profitably controlling security matters.

3.1 The State Roots of Private Security Companies

There are strong and complex historical links between private security and state security institutions that are often overlooked, but are nevertheless very important because they explain the proliferation of private security as an outcome of political processes (as opposed to a response to crime rates). As I will show in the following pages, the main reinforcement mechanisms for the PSC proliferation have their origins in public institutions via the army, the police, and international advisors.

²⁸ “Pésimas condiciones”, *Prensa Libre*, May 15, 2006.

²⁹ “¿Están ellos preparados?”, *Prensa Libre*, October 10, 2004.

³⁰ *Ibid.*

During Guatemala's internal war, the military strengthened its control over national security, and permitted state security institutions to offer private security services. In the early 1970s, the National Police was reformed with the aim of converting it into a counterinsurgent force under the direction of the Army.³¹ That included the formalization of pre-existing private security services offered by police and civilians. According to available data, the first PSC authorization was made on 3 August 1970 and was named "Policía Privada de Investigaciones Valiente" (Valiente Private Police for Investigations). It was owned by Manuel de Jesús Valiente Tellez, a highly ranked Judicial Police (Policía Judicial) officer who persecuted political leaders, students, union activists and other social movement members during the internal war. The authorization act emphasizes that consent was given to promote "the continuity of its activities [...]".³² This suggests that the company had been operating before its authorization. The National Police's Centro de Operaciones Conjuntas (COPC) was in charge of PSC operative and administrative efforts. The unit was created in 1972, and it was the nexus of the Army's operative and intelligence units. The COPC was in charge of police personnel and intelligence for the Police Director and other institutional units.³³

The Comando de Operaciones Especiales (COE) was another unit linked to the development of PSCs. It was created in 1982 as an operative-specialist unit and was referred to as the Batallón de Reacción y Operaciones Especiales (Battalion of Response and Special Operations; BROE) with police officers of all ranks.³⁴ It had the support of all units of the National Police, the Army, and PSCs. Their agents were especially trained by members of the Army that were members of PSCs as well: "[...] At 10:00 a.m. the Lieutenant of Military Reserves, who works for Alarms of Guatemala,³⁵ arrived with two more agents on board a jeep P-199390 to offer a cliff-climbing course to members of this Command."³⁶

The link between PSCs and police personnel is undisputable, as many PSCs were founded by police officers that hired police personnel to staff their security companies. In addition, many police units, especially those with tasked with intelligence work, used PSCs as information sources. The military counterinsurgency strategy necessitated the flow of information between all paramilitary groups in the country, with the police often acting as an intermediary between the military and PSCs. Finally, training course contracts were signed

³¹ Special Report of the Historical Archive of the Guatemalan National Police, (2009): "El derecho a saber", Procurador General de los Derechos Humanos, Guatemala, cap. II.

³² Laws Compilation, Guatemala, August 3, 1971. Historic Archive of the Guatemalan National Police.

³³ Special Report of the Historical Archive of the Guatemalan National Police, (2009): "El derecho a saber", Procurador General de los Derechos Humanos, Guatemala, cap. II, p. 124.

³⁴ Special Report of the Historical Archive of the Guatemalan National Police, (2009): "El derecho a saber", Procurador General de los Derechos Humanos, Guatemala, cap. I, p. 44.

³⁵ "Alarmas de Guatemala" a PSC part of Ébano Group.

³⁶ Special Report of the Historical Archive of the Guatemalan National Police, (2009): "El derecho a saber", Procurador General de los Derechos Humanos, Guatemala, cap. II, p. 167.

between the police and PSCs. This was an effective means of capturing public funds, and thereby strengthening political relations between PSCs and the National Police.

On the military side, the Mobile Military Police (MMP) was one of the most important units providing private security services. The Defense Ministry created the MMP in 1958 to combat crime. In 1965, MMP operations were broadened to support the National Police and to maintain order in rural and urban areas. The MMP consisted of two tactical units. The Ordinary MMP had a typical military structure and was part of the counterinsurgency strategy. By comparison, the Special MMP was for hire. Private companies, farmers and economic elites obtained its services directly through command officers. In 1997, the MMP had 2,421 agents and, according to MINUGUA, after its formal dissolution, some MMP agents were reintegrated into the National Civil Police and prison system. Most of the rest were hired by PSCs.³⁷

The demobilization of the MMP after the Peace Agreements left some state interests and private clients unprotected (Táger 2002: 92). Security businessmen such as Carlos Quintanilla, owner of Particular Protection Services (SERPROP), hired about 60 percent of the MMP's former agents. The economic elites had little trust in the government's new civil security institutions due to the potential for infiltration of former insurgents in security matters, among other reasons. They preferred to continue commercial relationships with the same military officers that had previously provided them with security.³⁸

As shown above, another mechanism reinforcing PSC proliferation was the incorporation of international military specialists into the Guatemala's army. Some of these international specialists offered their services as private security companies. These became lucrative businesses in the post-war era.

Since 1974, relations between Guatemala and Israel were characterized by the sale of firearms and military training. It has been reported that in 1983 there were 300 Israeli military officers working as advisers in Guatemalan security and military intelligence structures. Israeli security advisers created security systems in inland farms located in armed-conflict areas. The Israelis passed on their expertise in counterinsurgency tactics to Guatemalan military officers (Hunter 1987: 36). Business groups also hired Israeli security advisers. As it appeared to be a good business opportunity, the Israelis started PSCs offering security systems based on their war experience. After the suspension of US military aid during Carter Administration, Israel became the arms supplier of the Guatemalan Army (Hunter 1987; Kurtenbach 2008: 16). For example, the Galil assault rifle was the official weapon of the Guatemalan Army during the internal conflict. Nowadays, Grupo Golán is the largest and oldest Israeli private security consortium in Guatemala with approximately 3,000 guards and an incalculable number of investigators and security advisers.³⁹

³⁷ Second Inform, General Secretary of MINUGUA, A/52/757, April 15 to December 31, 1997, p. 26.

³⁸ Interview with Carlos Quintanilla, owner of Servicio de Protección Particular (SERPROP) Guatemala, March 17, 2009.

³⁹ Interview with a security consultant of EMISA, Guatemala, March 23, 2009.

Both mechanisms — private security services from state security institutions and international security advisors hired by state military forces — were enhanced during particular critical junctures. The military power struggles, the dissolution of state security institutions, and the military downsizing after the peace agreements allowed the incorporation of former militaries into the private security business. This process can be analyzed at two different moments in time: the first during the internal war, and the second in the context of a post-war society.

In the aftermath of the coup d'états in 1982 and 1983, the Army expelled many militias. For example, former-Captain Rodolfo Muñoz Piloña founded the Unidad de Servicios Integrales de Seguridad (USI) in 1989. This PSC is known as “*el cuartelito*” (the little garrison) because it is headed with strong military discipline. It became a safe working place for former officers who participated in the 1982 coup. Security companies like USI grouped together a large number of former military officers, who continued to control the Army networks and security structures they had helped establish.⁴⁰

The second moment occurred after the post-war downsizing of military personnel. The Army reform process was implemented in two stages. The first was the downsizing of personnel, and the second involved the reintegration of former officers into democratic civilian life. As the second phase was never implemented, it allowed for the uncontrolled incorporation of military officers into civil life, with a large number of unemployed officers and soldiers being reintegrated by the private sector⁴¹. PSCs, organized crime, and drug trafficking, among other things, were the informal mechanisms of reincorporation for military personnel into society.⁴² It's important to emphasize that the downsizing of the army paralleled the increase of crime and proliferation of PSCs.

Table 3: Military Downsizing in Guatemala

Year	Military personnel	Official reduction	Percent	Remaining military personnel
1997–1998	46,900	15,477	33	31,423
2003	31,423	4,209	8.97	27,214
2004	27,214	11,714	24.97	15,500
Total reduction 1997/2004		31,400	66.95	15,500

Source: MINUGUA 2004: “Final Report. The Consultancy of the Strengthening of Civilian Power” in Ten Years of Work of MINUGUA in Guatemala, Guatemala City, 2004.

The origins of private security within the state show how the proliferation of these services occurred on the basis of a pre-existing displacement process of state security functions. The existence of mechanisms that reinforce a particular institutional arrangement in politically critical junctures confirms the argument that the characteristics of private security in contexts of post-war societies are better explained by placing the phenomenon within a time frame.

⁴⁰ Interview with Carlos Rodolfo Muñoz Piloña, Guatemala, March 17, 2009.

⁴¹ Interview with a security consultant of EMISA, Guatemala, March 23, 2009.

⁴² Interview with Gabriel Aguilera Peralta, Berlin, Germany, February 2, 2009.

4 Noncommercial Private Security: The Case of the *Juntas Locales de Seguridad*

The *juntas locales de seguridad*⁴³ (JLSs) are neighborhood and communal groups organized to protect their living area. Their activities vary — they can hire PSCs, or they can do the guarding themselves while in possession of illegal weapons, and with their faces covered. As a structure of civil self-defense, the JLSs represent one type among many in the wide spectrum of civil organizations that support the state's role of social and political control. Social control and the incorporation of civilian populations into security structures is a historical constant which, in the case of Guatemala, has accompanied the state since its liberal restructuring during the second half of the nineteenth century.

4.1 Continuity and Change of Control Mechanisms

According to Holden (1996), civil security organizations can be analyzed from the perspective of the function that caudillos and their supporters had in the building of the state in Central America. The use of institutions for political control has historical authoritarian origins. During the dictatorship of Jorge Ubico (1931–1944), the public administration was designed to facilitate social control, from the central state administration to the communal level. The Jefaturas Políticas and Comandancias de Armas coordinated the activities of Intendencias Municipales and Comandancias de Plaza. This meant coordination between departmental and communal levels. Social conflicts were resolved through this administrative hierarchy and with the help of corresponding civil organizations, such as the Auxilios Civiles (Civil Auxiliary) and Military Commissioner. They served different functions, such as surveillance, enforcing the legitimacy of state authorities, and the organization of patrols. Their main function was to be an extension of state security. The names of the Auxilios Civiles varied, however there were minimal functional differences. They were known as *regidores* (regents), auxiliaries (supplemental officers), *patrulleros* (squad or platoon), *guardabosques* (forest rangers), police, *milicianos* (militiamen), *mayores* (mayors) and *alguaciles* (sheriffs). The common feature among them was social control; the differences refer to the type of work they performed and the administrative entity to which they were assigned (Argueta 2004: 88).

Jorge Ubico created the Military Commissioners in 1938 based on a pre-existing colonial system of control. He tasked them with helping the Army maintain social control from within the civilian population. They were the “eyes and ears” of the military.⁴⁴

⁴³ There are different names for security civil organizations in Guatemala. This paper uses the acronym JLS (*Juntas Locales de Seguridad*) to refer to security civil organizations as a general concept. When necessary, this paper will specify the names and differences. The term “boards” refers to a decision group in a community — in some cases elected, and in other cases self-appointed.

⁴⁴ Guatemalan Commission for Historical Clarification (CEH) 1999. Guatemala: Memoria del Silencio, Cap. II, Vol. 1, p. 424. Online: <http://shr.aaas.org/guatemala/ceh/mds/spanish/cap2/vol1/cmil.html#Note1>.

During the internal war (1960–1996), the counterinsurgency reactivated historical mechanisms of social and security control. The military had a complex network of institutions, actors and organizations under their formal and informal control, extending from the national central of power to communal organizations (Schirmer 2001).

One part of the counter insurgency strategy was the reactivation of a Military Commissioners network. In 1966, there were approximately 5,000 Military Commissioners involved in military operations against armed insurgent groups.⁴⁵ By the end of the 1980s, there were approximately 35,000 Military Commissioners throughout the country. Their functions ranged from controlling social and political activities in communities and neighborhoods, to denouncing criminals and organizing security operations (Táger 2002: 92).

Another part of the counterinsurgent strategy was the reactivation of Civil Auto-Defense Patrols (PACs; *Patrullas de Autodefensa Civil*), which organized approximately one million civilians in 1986. The organizational structure and activities of the PACs during the internal war were different in each region. One of the main functions assigned to the PACs during the internal war was monitoring and denouncing people and situations that caused suspicion (Sáenz 2004: 50). Civil Patrols contributed to the structuring of an authoritarian communal organization, and in 1999 it was estimated that PACs committed 18 percent of all human rights violations committed during the internal conflict (CEH 1999: 109).

Despite their formal dissolution in 1996, they reincorporated over the past twenty years into a new local power structure (Táger 2002: 93). The actual number and location of PAC members is difficult to estimate. The number of PACs formally demobilized in 1995 was calculated to be 274,215 (Saenz 2004). Ten years later, after their reorganization as a social movement that requested governmental financial support, the number of former PACs was estimated to be 493,504.

The Army has historically been the institutional tool for a mechanism of power sharing between state and nonstate actors in a political arena where the line between public and private sphere has been diffused. After revising the historical context of civil security organizations it is possible to argue that the JLSs are only one part of a larger and more complex system of informal society-state collaborations in security and control matters.

4.2 Juntas Locales de Seguridad in Post-war Society

The formal creation of JLSs started in July 1999 after the National Civil Police issued a general order to address public security. In 2001, 231 JLSs were registered.⁴⁶ In 2009, the PNC reported

⁴⁵ Guatemalan Commission for Historical Clarification (CEH) 1999. Guatemala: Memoria del Silencio, Cap. II, Vol. 1, p. 427.

⁴⁶ Annual Report 2008, Community Relations Division, Civil National Police.

1,029 JLSs.⁴⁷ The JLSs are under the coordination and supervision of the Subdirección General de Prevención del Delito (General Crime-Prevention Directorate), established in 2005.

One state intelligence officer argued that JLSs degenerated with regard to their original objectives since their formal creation in 1999, because they were used as an information resource for the police.⁴⁸ Since the police historically planted informants in communities and neighborhoods, the population quickly rejected the work of the JLSs, and a desired collaboration with the police was impossible. Nevertheless, the JLSs were organized and are still working without relation to the police.⁴⁹

The activities of the JLSs are linked to violent phenomena such as lynching, kidnappings and extortions. For example, the San Juan Sacatepéquez JLSs have approximately two hundred members, many of them former military officers, former insurgents, and members of criminal groups.⁵⁰ Due to violent acts perpetrated by some JLSs, the civilian population organized other security groups to protect themselves. The existence of different security organizations has reactivated traditional conflicts, such as territorial disputes, the distribution of local power, and social protests against open mines. The JLSs are not a product of the call for community organization made by the police in 1999; they are a product of their own community and neighborhood history, particularly in those areas with a history of strong violent activity during the internal conflict.⁵¹

Another example of the reactivation of former control mechanisms can be seen in the community of Los Cimientos, in El Quiché. The violent activities of the Civil Patrol's former members forced more than 50 families to leave the community in 2007. The former PACs renamed themselves "Communitarian leaders," remained heavily armed, and never changed their former activities and structures or stopped killing suspects and intimidating the community. They took control of the local institutions and forced the population to create civil patrols.⁵²

There are some specific differences between civil security organizations in rural and urban areas. The JLSs are mostly organized in rural areas and have less of a military presence. Their actions depend on the organizational history of the region, and do not have a direct correlation with criminal rates. The JLSs are mostly organized in low-income regions where the hiring PSCs is not possible.

In the metropolitan area of Guatemala City, the JLSs are organized through the Comités Únicos de Barrio (Unique Neighborhood Committees), which are, in turn, directed by the municipality of Guatemala City. They are organized in areas that have a median income and a mostly nonindigenous population. Each neighborhood committee has a military represen-

⁴⁷ Annual Report 2010, Office of the High Commissioner for Human Rights in Guatemala.

⁴⁸ Interview with an officer of the State Intelligence Office, Guatemala, March 5, 2009.

⁴⁹ Ibid.

⁵⁰ Ibid.

⁵¹ Ibid.

⁵² *Prensa Libre*, May 21, 2007.

tative collecting information for the Army (but not the police).⁵³ The roll played by military officials in its activities is an extension of the Joint Patrols Program (Army and Civil National Police). These patrols have been widely criticized because they are mechanisms through which the military continues to participate in public security tasks.

Metropolitan districts 1 and 9 consist of approximately one million inhabitants, and have 200 neighborhood committees. These organizations prefer military rather than police support because they have more trust in the Army, and expect the Army to solve the criminality problem with an “iron fist.”⁵⁴

The hiring of PSCs and the self-organization into committees is a double mechanism used to protect themselves against criminality. There are cases where a neighborhood security organization is promoted by a PSC. The Hotel Security Council of Guatemala promotes the informal organization of neighborhoods around tourist areas, and has representatives in every security committee that collect information about criminal activities.⁵⁵

The political structures created during the internal conflict were the mechanisms for the accelerated proliferation of JLSs. The hazard of organizing JLSs where no necessity exists, is the possibility of reactivating previous authoritarian structures. The interviewee explained that the homogeneous design of JLSs does not take into account each community’s cultural traditions and historical conflicts, because it is a model of organization created by the central administration of the security institutions.⁵⁶ In most cases, the population was already organized before its contact with state institutions. This situation produces negative effects for the rule of law, and reduces confidence in the judicial system. “Private justice” is normally applied in the form of lynching or social cleansing. However, the positive or negative actions of the JLSs depend largely on the historical organizational culture of the region.

4.3 Homicide Rates and Juntas Locales de Seguridad

As mentioned in the literature review, the proliferation of neighborhood security committees is commonly associated with an increase in crime and weak public institutions. The results of this study show that in the case of Guatemala, the continuity of control mechanisms is a more accurate explanation for the proliferation of such organizations.

The analysis of homicide rates and JLSs illustrates two important points: the low homicide rates in indigenous communities, and the lack of a clear correlation between poverty rates and homicide rates. In fact, the greater the poverty rate, the lower the rate of homicides.

⁵³ Interview with Priscila de Narciso, Auxiliary Mayor of District 9 of the metropolitan area, Guatemala City, March 18, 2009.

⁵⁴ Interview with Rubén Darío Martínez, Auxiliary Mayor of District 1 of the metropolitan area, Guatemala City, March 23, 2009.

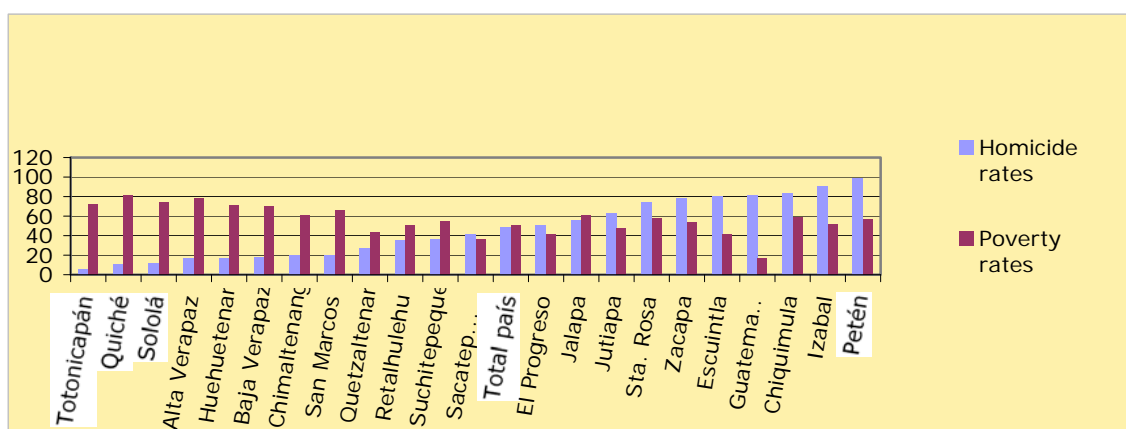
⁵⁵ Interview with security system director the Guatemalan Hotel Security Council. Guatemala, February 24, 2009.

⁵⁶ Interview with an officer of the State Intelligence Office, Guatemala, March 5, 2009.

This is especially true in areas with a majority indigenous population (Totonicapán, Quiché, Sololá, Alta Verapaz, Huehuetenango, Chimaltenango, San Marcos). There are also departments with high poverty rates, low indigenous population, and high homicide rates (Jalapa, Santa Rosa and Chiquimula). The extreme case is the metropolitan area of Guatemala City, which has lower poverty rates but higher homicide rates.

While homicide is not related to poverty, extreme social inequality generally produces a serious social tension.⁵⁷ One implication of this is the high level of perceived insecurity. Lack of security is perceived to be Guatemala City's principal social malaise, although it is not related to the actual situation of criminality (UNDP 2007). Numerous studies have attempted to explain that this perception of insecurity and the reactions it provokes are based on differing social discourses that are related to political and social phenomena not directly linked with the causes of violence (Huhn, Oettler and Peetz 2006a, 2006b).

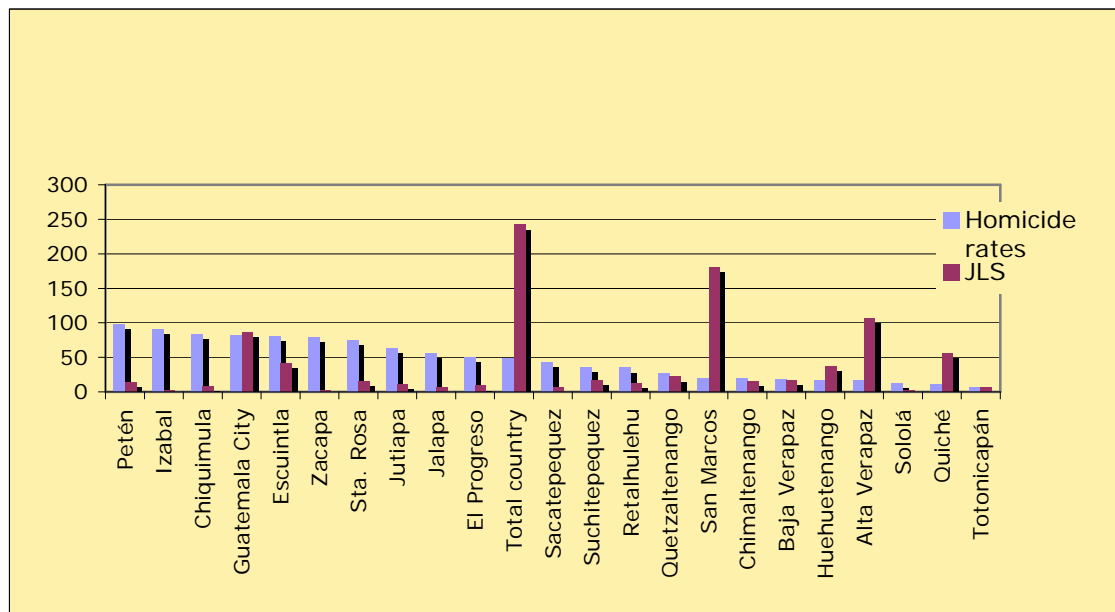
Figure 5: Homicide and Poverty Rates



Source: Author's own compilation with data from Civil National Police of Guatemala (2008) and ENCOVI (2008).

The question now is if the homicide rates, as well as poverty rates and ethnic characteristics, explain the presence of JLSs in certain areas. There are areas with high homicide rates and a majority nonindigenous population that have few JLSs (Petén, Izabal, and Chiquimula). On the other hand, departments like San Marcos, Alta Verapaz, and Quiché have low homicide rates, majority indigenous populations, and a high number of JLSs. The remaining departments with majority of indigenous populations and high poverty rates (Totonicapán, Sololá, Huehuetenango, Baja Verapaz, and Chimaltenango) have a typical number of JLSs.

⁵⁷ According to UNDP, Guatemala is one of the countries in Latin America with the greatest inequality. Informe Estadístico de la Violencia en Guatemala, UNDP, 2007, p. 10.

Figure 6: Homicide Rates and Number of JLSs

Source: Annual Report 2008, Community Relations Division, Civil National Police.

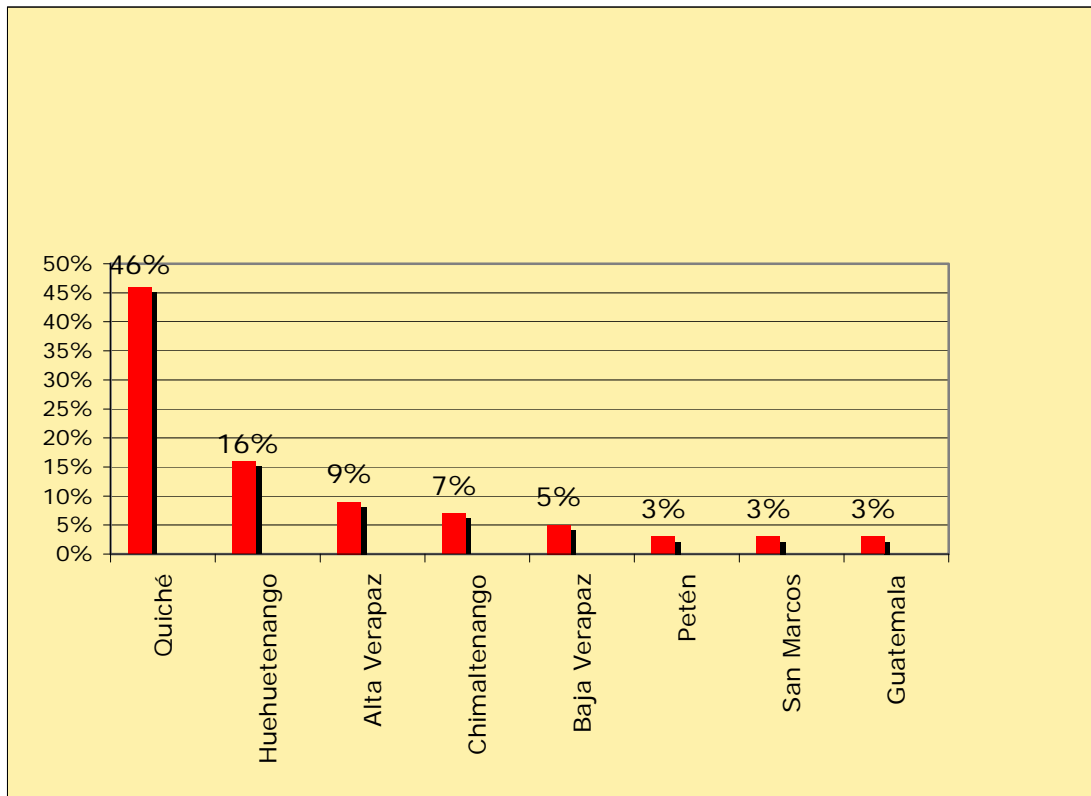
The extent of the nation's police coverage is not a strong indicator of a JLS presence. Although there is no acknowledged standard for judging what constitutes adequate police coverage, the number of police officers in Guatemala is nonetheless low in relation to the population.⁵⁸ In 2006, Guatemala had approximately 30,000 police officers, or about 1.56 police officers for 100,000 inhabitants, which is equivalent to 0.19 police officers per square kilometer.⁵⁹ Most of them are concentrated in the metropolitan area of Guatemala City, where there are a large number of JLSs, as well as a high homicide rate. In regions like Quiché and Alta Verapaz, there is lower police coverage, lower homicide rates, and strong presence of JLSs.

The main argument addressing addressed here is that the continuity of social and political control mechanisms and an organizational history of a certain area are stronger explanatory factors for JLS proliferation.

Most of the political violence committed during the internal war was concentrated in areas with majority indigenous populations that had a strong tradition of communal organization. Approximately 83.3 percent of the victims of human rights violations committed during the internal conflict were of Mayan ethnicity (CEH 1999). With the exception of Petén and Guatemala City, five of the eight departments with the most human rights violations during the internal were areas with majority indigenous populations and structural poverty.

⁵⁸ Informe de Desarrollo Humano para America Central 2009–2010, UNDP.

⁵⁹ Data provided by the Civil National Police of Guatemala. This data does not distinguish those agents dedicated to administrative work. Data available in: <www.encovi.com>.

Figure 7: Percentage of Human Rights Violations Guatemala (1962–1996)

Source: Comisión del Esclarecimiento Histórico, Cap. 2, Vol. I, 1999.

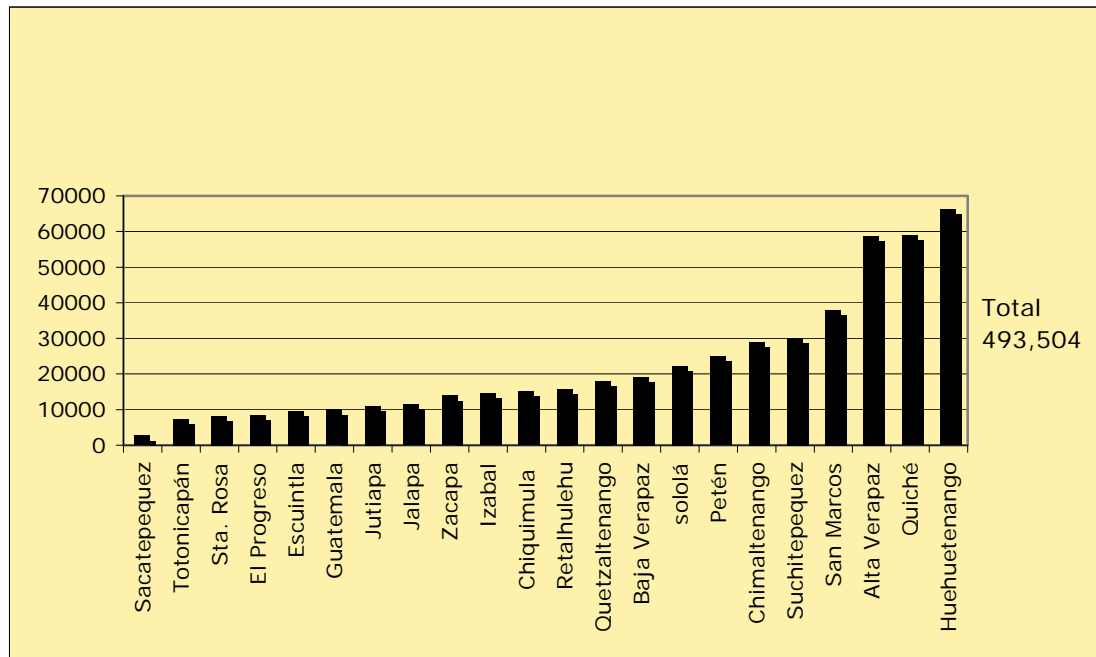
Figure 8 shows that 54 percent of the population which was organized into a PAC was concentrated in the seven departments with majority indigenous populations.⁶⁰ The case of Totonicapán is an interesting exception. Due to its historically strong organizational culture, the community refused to participate in either PACs or insurgency security structures. Nowadays there are only a small number of JLSs in the department.

Likewise, the percentage of human rights violations committed by Military Commissioners was especially high in areas with majority-indigenous populations. With the exception of Zapaca, the remaining departments match those departments with a high rate of human rights violations and presence of PACs, and are nowadays departments with high number of JLSs.

Based on the foregoing analysis, the proliferation of noncommercial private security is not directly caused by an increase in crime, ethnic characteristics, poverty rates, or institutional security coverage. The explaining factors of criminality appear to be different from those factors generally used to explain private security responses. Noncommercial private security reinforces historical mechanisms of self-defense against perceived or potential threats. The tendency to transfer public security functions to the population can result in violent and authoritarian practices, as well as increased popular distrust, and deterioration of the rule of law.

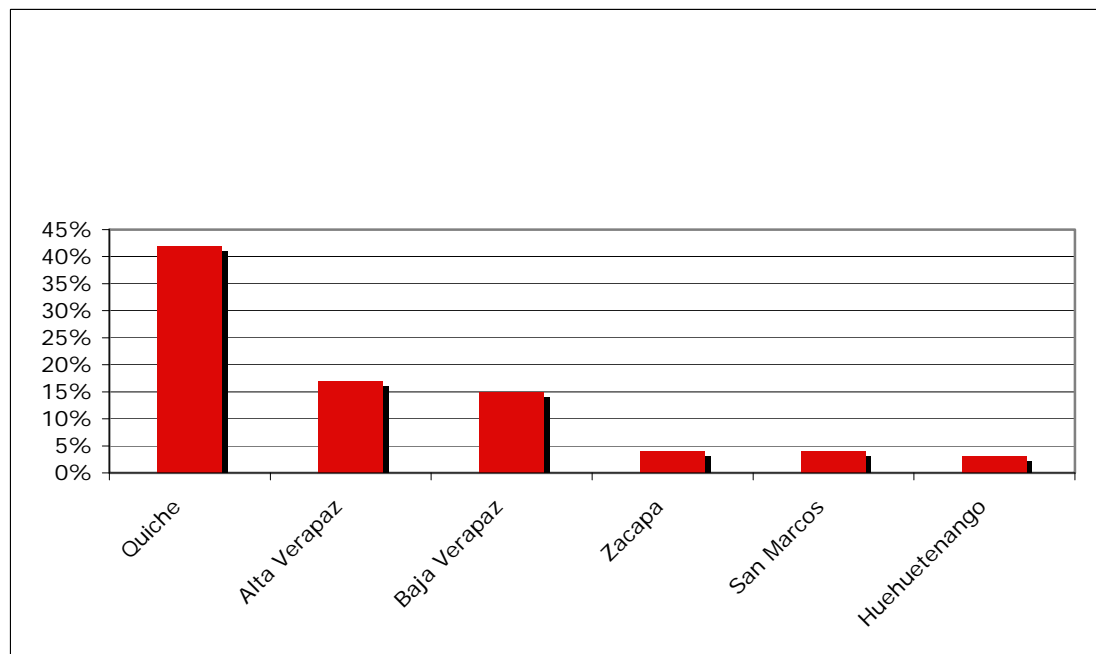
⁶⁰ This percentage was calculated based on the number of people that in 2005 required payment for its services as a PAC. Tejada (2004).

Figure 8: Number of Former PACs that requested Compensation(2004–2003)



Source: Author’s own compilation with data from Saenz de Tejada, Ricardo (2004): *¿víctimas o vencedores? Una aproximación al movimiento de los ex pac*, Facultad latinoamericana de Ciencias Sociales (FLACSO) Guatemala.

Figure 9: Percentage of Human Rights Violations Committed by Military Commissioners (1962–1996)



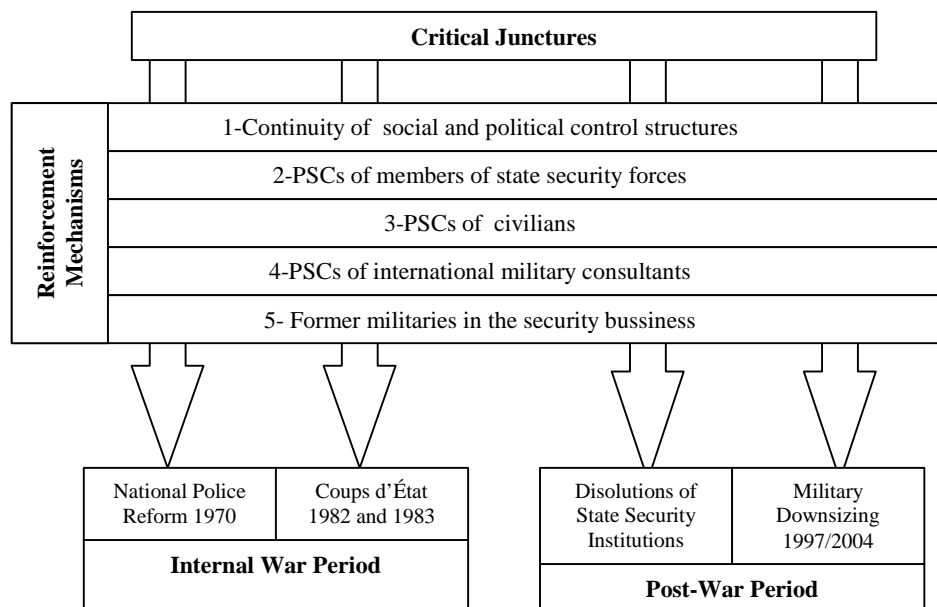
Source: Comisión del Esclarecimiento Histórico, Cap. 2, Vol. I, 1999.

5 Conclusion: The Reinforcement Mechanisms of Private Security Proliferation

In this section, previously discussed arguments are integrated into an explanatory framework with regard to the proliferation of private security services in Guatemala, and the corresponding displacement of public security institutions.

According to path-dependent approaches, the emergence and proliferation of private security can be viewed as a repeated selection dependent on its reinforced function in different political contexts and critical junctures. There is an overlapping of sequences at the time of the incorporation of different actors in the process. This dynamic reinforces the function of private security in the general social system. An interplay of reinforcement mechanisms and critical junctures leads to the consolidation of a strong private security sector.

Figure 10: Self-reinforcing Sequence of Private Security Proliferation in Guatemala



Source: Author's own compilation.

The first reinforcement mechanism is the continuity of social and political control structures (Military Commissioners, Civil Patrols, among others). While the structure and quantity of these mechanisms change, the control function is replicated to operate in the direction of new targets. This is not a linear process. This analysis's emphasis is on their social function, and how this function reproduces itself in a new sequence. The motivations for this kind of organization can vary: dictatorial control in the 1930s; counterinsurgency in the 1980s; and today's fight against crime. The functions that remain constant are self-defense and social control. They are reinforced by state security institutions or civil organizations.

Insecurity (real or perceived) is the present justification for the reactivation of historical mechanisms for social control, and for the implementation of practices that are often violent

and authoritarian. But noncommercial private security is also reinforced by social differentiations introduced by PSCs.

The second reinforcement mechanism is the creation of PSCs by members of state security forces. This mechanism has been reinforced at different critical junctures in accordance with political processes, and it shows how the proliferation of private security services has its origins in state security institutions. It appears that the displacement to the private sector of certain state functions has stimulated the sector's strengthening, which helps explain the sector's increased ability to penetrate public institutions.

The third mechanism buttressing the proliferation of private security services was the creation of PSCs by civilian entrepreneurs. This phenomenon began in the banking security sector, and quickly spread to commercial and personal security. PSCs have a formidable link to state security institutions through the recruitment of National Police agents or former army officers.

The fourth reinforcing mechanism is the creation of private security services by international military consultants. Israeli companies hired by the Army during the war, which continue to combine security services with firearms sales, are a good example of this trend.

The fifth mechanism is the entrance of military officers into the security business. This occurred at different junctures, during the internal war and in the post-war era. The transition to democracy has not resulted in full civilian domination over the army. The coexistence of some democratic prerogatives and authoritarian structures accurately defines the characteristic tensions between a weak political civil sector and a strong political army (Karl 1995; Koonings 2003). The persistence of "reserved domains" of military power over security institutions has moved from formal institutional structures to informal mechanisms in order to ensure its continuity. The control of private security services is one of those mechanisms of continuity. These processes have been of benefit to the Army because they reinforce its role as the only state institution capable of guaranteeing public security.

Bibliography

- Aguilera Peralta, Gabriel (2006), *La reforma del sector seguridad en Guatemala*, paper presented at the Latin American Studies Association.
- Alba Vega, Carlos y Kruijt, Dirk (2007), Viejos y nuevos actores violentos en América Latina: Temas y problemas, in: *Foro Internacional*, México, 47 (julio–septiembre) 3/189.
- Arias, Patricia (2009), *Seguridad Privada en América Latina: el lucro y los dilemas de una regulación deficitaria*, Reporte del Sector Seguridad, 6, FLACSO/Chile.
- Argueta, Otto (2006) La democracia como contingencia y paradoja: Guatemala 1944, in: *Revista Centroamericana de Ciencias Sociales*, FLACSO, San José, 1/III.
- Arriagada, I. and Godoy L. (2000), Prevention or repression? The false dilemma of citizen security, *CEPAL Review*, 70.
- Avila, Keymer (2005), *Capítulo Criminológico 2*, Instituto de Criminología Lolita Aniyar de Castro, LUZ, Venezuela.
- Bénit-Gbaffou, Claire et al. (2008), Communities, the Private Sector, and the State Contested Forms of Security Governance in Cape Town and Johannesburg, in: *Human Science Research Council, Pretoria, South Africa*, 43/5.
- CEH (1999). *Memoria del Silencio*, Comisión para el Esclarecimiento Histórico de Guatemala, online: <<http://shr.aaas.org/guatemala/ceh/mds/spanish/toc.html>>.
- CDDHCEC (2004), *Empresas Privadas de Seguridad*, Coalición de Derechos Humanos contra las Estructuras Clandestinas – CDDHCEC, Guatemala, noviembre.
- Costa, Gino (1999), *La policía Nacional Civil de El Salvador (1990–1997)* UCA Editores, San Salvador.
- Castellanos, Julieta (2003), Las empresas de seguridad privada y las amenazas a la seguridad, Ponencia preparada para el VI Seminario sobre Investigación y Educación en Estudios de Seguridad y Defensa (REDES 2003), CHDS, Santiago de Chile, 27 al 30 de octubre.
- Diamint, Rut (1998), La privatización de la seguridad en Argentina, in: *Foro Internacional*, México, 38/1 (enero–marzo).
- Frigo, Egardo (2006), Seguridad Privada en Latinoamérica: situación y perspectivas, online: <www.forodeseguridad.com>.
- Frühling, Hugo (2003), *Policía Comunitaria y Reforma Policial en América Latina, Cuál es el impacto?*, Serie Documentos, Centro de Estudios en Seguridad Ciudadana, Universidad de Chile, Santiago.
- De León-Escribano, Carmen Rosa (2004), *Presupuesto de Defensa en Guatemala: Auditoría social y análisis político*, IEPADES, online: <www.iepades.org/Publicaciones3.html>.
- Garland, David (2005), *La cultura del control, crimen y orden social en la sociedad contemporánea*, Gedisa, Barcelona.
- Gibson, Stevyn D. (2007), Regulated private security companies versus a professional security sector: a cautionary tale, in: *Journal of Security Sector Management*, 5/1.
- Guatemalan Commission for Historical Clarification (CEH) (1999).
- Guzmán, Alvaro et al. (1993), Violencia urbana y seguridad ciudadana en Cali, in: *Revista Foro*, 22, Colombia.

- Gottschalk, Keith (2005), Vigilantism v. the State: A case study of the rise and fall of Pagad, 1996–2000, *ISS Paper*, 99, February.
- Holden, Robert H. (1996), Constructing the Limits of State Violence in Central America: Towards a New Research Agenda, in: *Journal of Latin American Studies*, 28/2, Cambridge University Press.
- Holmqvist, Carolina (2005), Private Security Companies, The case for Regulation, *SIPRI Policy Paper*, 9.
- Huhn, Sebastian, Anika Oettler and Peter Peetz (2006a), Construyendo inseguridades. Aproximaciones a la violencia en Centro América desde la perspectiva del análisis del discurso, *GIGA Working Paper*, 34. Hamburg: GIGA German Institute of Global and Area Studies, online: <www.giga-hamburg.de/workingpapers>.
- (2006b), Exploding Crime? Topic Management in Central America. News Papers, *GIGA Working Paper*, 36, Hamburg: GIGA German Institute of Global and Area Studies, online: <www.giga-hamburg.de/workingpapers>.
- Hunter, Jane (1987), The Israeli Role in Guatemala, *Race Class*, 29/35.
- Isima, Jeffrey (2007), Regulating the Private Security Sector Governance in Africa, in: *Journal of Security Sector Management*, 5/1.
- Jaramillo A., Ana María (1993), Milicias populares en Medellín entre lo privado y lo público, in: *Revista Foro*, 22, Colombia.
- Johnston, Les (1992), *The Rebirth of Private Policing*, Routledge, London.
- Johnston, Les (1999), Private policing in Context, in: *European Journal on Criminal Policy and Research*, 7/1.
- Joras, Ulrike and Adrian Schuster (eds) (2008), Private Security Companies and Local Populations: An Exploratory Study of Afghanistan and Angola, *Swisspeace Working Paper*, 1.
- Karl, Terry Lynn (1995), The Hybrid Regimes of Central America, in: *Journal of Democracy*, 6/3.
- Kempa, Michael and Ryan Carrier, Jennifer (1993), Word and Clifford Shearing, Reflexions on the Evolving Concept of Private Policing, in: *European Council on Criminal Policy and Research*, 7.
- Klein, Lloyd, Joan Luxenburg and Marianna King (1989), Perceived Neighborhood Crime and The Impact of Private Security, in: *Crime Delinquency*, 35.
- Koonings, Kees and Dirk Kruijt (eds) (2003), *Ejércitos políticos: las fuerzas armadas y la construcción de la nación en la era de la democracia*, Instituto de Estudios Peruanos – IEP, América Problema, 17, Lima.
- (2004), *Armed Actors, Organized Violence and State Failure in Latin América*, Zed Books, London.
- Kruijt, Dirk (2004), Exclusión social y violencia urbana en América Latina, in: *Foro Internacional*, 44, México, (octubre–diciembre) 4/178.
- Kurtenbach, Sabine (2003), El nuevo escenario de (in)seguridad en América Latina: ¿amenaza para la democracia?, in: Klaus Bodemer (ed), *El nuevo escenario de (in)seguridad en América Latina ¿amenaza para la inseguridad?*, Nueva Sociedad, Venezuela.
- (2008), Guatemala's post-War Development. The structural failure of low intensity peace", *Project Working Paper*, 3, Institute for Development and Peace and University of Duisburg.

- (2010), Why is Liberal Peacebuilding so Difficult? Some Lessons from Central America, in: *European Review of Latin American and Caribbean Studies*, 88, April.
- Lambach, Daniel (2007), Oligopolies of Violence in Post-Conflict Societies, *GIGA Working Paper*, 62, Hamburg: GIGA German Institute of Global and Area Studies, online: <www.giga-hamburg.de/workingpapers>.
- McCleary, Rachel M (1997), Guatemala's Post-war Prospects, in: *Journal of Democracy*, 8/2.
- Mandel, Robert (2001), The Privatization of Security, in: *Armed Forces & Society*, 28.
- MINUGUA (2002), Seguridad Privada en Guatemala, estudio sobre su control y regulación jurídica, Misión de Verificación de las Naciones Unidas en Guatemala, MINUGUA, Guatemala.
- Office of the High Commissioner for Human Rights in Guatemala, Annual Report (2010).
- Perrin, Benjamin (2006), Promoting compliance of private security and military companies with international humanitarian law, in: *International Review of the Red Cross*, 88/863.
- Petersen, Stina (2007), Peace building and Democratic Consolidation in Post-war Guatemala: A Comparative Assessment of the Impact of Civil-Military Reforms in the Guatemalan Peace Accords, Department of Comparative Politics, University of Bergen.
- Pierson, Paul (2004), *Politics in Time*, Princeton-Oxford: Princeton University Press.
- Przeworski, Aadam (1992), *The Game of Transition, Issues and economic reforms in Eastern Europe and Latin America, Studies in rationality of change*, Cambridge: Cambridge University Press.
- Richards, Anna and Henry Smith (2007), Addressing the Role of Private Security Companies Within Security Sector Reform Programmes, in: *Journal of Security Sector Management*, 5/1.
- Sáenz de Tejada, Ricardo (2004), *¿Victimas o vencedores? Una aproximación al movimiento de los ex Pac*, FLACSO/Guatemala.
- Salazar J. Alonso (1993), La criminalidad urbana: actores visibles e invisibles, in: *Revista Foro*, 22, Colombia.
- SEESAC (2005), *SALW and Private Security Companies in South Eastern Europe: A Cause or Effect of Insecurity*, South Eastern Europe Clearinghouse for the Control of Small Arms and Light Weapons, Belgrade.
- Schirmer, Jennifer (2001), *Intimidaciones del proyecto político de los militares en Guatemala*, FLACSO, Guatemala.
- Shering, Clifford D. and Stenning Philip C. (eds) (1987), *Private Policing*, Sage Publications, London.
- Special Report of the Historical Archive of the Guatemalan National Police, *El derecho a saber*, Procurador General de los Derechos Humanos, Guatemala (2009).
- Táger, Ana Glenda y Merida Mario (2002), The Privatization of Security in Guatemala, in: *Security Sector Reform The Challenges and Opportunities of the Privatization of Security*, International Alert, September.
- United Nations Development Program (2006), *Costo económico de la violencia en Guatemala*, Programa de seguridad ciudadana y prevención de la violencia, UNDP.
- United Nations Development Program (2007), *Informe Estadístico de la Violencia en Guatemala*, Programa de Seguridad Ciudadana y Prevención de la Violencia, Guatemala.

Recent Issues

- No 143 Pedro Aravena Lavín: ¿Es el crecimiento económico suficiente para apoyar la democracia? Lecciones del caso chileno [Is Economic Growth Sufficient to Support Democracy? Lessons from the Chilean Case], August 2010
- No 142 Joachim Betz and Melanie Hanif: The Formation of Preferences in Two-level Games: An Analysis of India's Domestic and Foreign Energy Policy, July 2010
- No 141 Almut Schilling-Vacaflor: Bolivia's New Constitution: Towards Participatory Democracy and Political Pluralism?, July 2010
- No 140 Dirk Kohnert: Are the Chinese in Africa More Innovative than the Africans? Comparing Chinese and Nigerian Entrepreneurial Migrants' Cultures of Innovation, July 2010
- No 139 Sebastian Elischer: Measuring and Comparing Party Ideology in Nonindustrialized Societies: Taking Party Manifesto Research to Africa, June 2010
- No 138 Sandra Destradi: A Regional Power Promoting Democracy? India's Involvement in Nepal (2005–2008), June 2010
- No 137 Jann Lay: MDG Achievements, Determinants, and Resource Needs: What Has Been Learnt?, June 2010
- No 136 Karl Hwang: Measuring Geopolitical Power in India: A Review of the National Security Index (NSI), May 2010
- No 135 Leslie Wehner: From Rivalry to Mutual Trust: The Othering Process between Bolivia and Chile, May 2010
- No 134 Armando Barrientos and Daniel Neff: Attitudes to Chronic Poverty in the "Global Village", May 2010
- No 133 Hannes Meissner: The Resource Curse and Rentier States in the Caspian Region: A Need for Context Analysis, May 2010
- No 132 Miriam Shabafrouz: Fuel for Conflict or Balm for Peace? Assessing the Effects of Hydrocarbons on Peace Efforts in Algeria, April 2010
- No 131 Thomas Richter: When Do Autocracies Start to Liberalize Foreign Trade? Evidence from Four Cases in the Arab World, April 2010
- No 130 Alexander de Juan and Johannes Vüllers: Religious Peace Activism—The Rational Element of Religious Elites' Decision-making Processes, April 2010

All GIGA Working Papers are available free of charge at www.giga-hamburg.de/workingpapers. For any requests please contact: workingpapers@giga-hamburg.de. Working Papers Editor: Bert Hoffmann