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MEXICO’S PRIVATE SECURITY PARADOX: UNDERSTANDING THE RELATIONSHIP BETWEEN THE MEXICAN STATE AND THE PRIVATE SECURITY INDUSTRY

A dissertation submitted in partial satisfaction of the requirements of the degree of

DOCTOR OF PHILOSOPHY

in

POLITICS

by

Logan Puck

December 2017

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ABSTRACT

Mexico’s Private Security Paradox: Understanding the Relationship between the Mexican State and the Private Security Industry

Logan Puck

The massive growth of private security raises serious questions about how we conceptualize state power, capacity, legitimacy, and policing in a world where security provision is being rapidly commodified. We can better understand these issues by investigating how states have navigated and negotiated private security expansion. How have states reacted to the rise of private security and are there ways in which they can manage the industry to benefit themselves and society?

This dissertation analyzes the relationship between the state and the private security sector in Mexico. Mexican governments have attempted to direct and exert control over this massive group of non-state security actors who have the potential to enhance the state’s capacity to impose order and reduce crime and violence. The three primary strategies used by the state to manage the industry include incorporation, regulation, and fostering coordination and collaboration. Nevertheless, these policies have backfired leading to a situation wherein the state and private security providers have a distant and sometimes competitive relationship.

First, attempts to incorporate private watchmen into state police forces led to the creation of corrupt and exploited public security units that have damaged state legitimacy, and in some cases, unfairly competed with private security firms. Second, strict regulations combined with corrupt and poor enforcement has encouraged firms
to avoid registration and operate informally. Finally, the poor quality and reputation of Mexico’s police forces has caused private security firms to distance themselves from the institution, which has limited coordination and collaboration with the state. As a result, the state is weaker in its ability to effectively manage, control, and coordinate with an industry that can challenge or enhance the state’s legitimacy and its ability to maintain law and order. Ultimately, the Mexican case exhibits how states play an essential role in shaping the form of the private security sector and the actions of individual firms. More specifically, the quality and conduct of state institutions, particularly security institutions, seriously affects the relationship between the private security sector and the state and the results of the state’s efforts to control and direct the private security sector.
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INTRODUCTION

On September 18, 2013, Mexico City’s Secretaría de Seguridad Pública (SSPDF) held an informational session for the city’s private security providers. The session was designed to improve connections between the private security industry and the SSPDF. Representatives from the SSPDF’s Dirección General de Seguridad Privada took turns explaining the rules and regulations pertaining to private security provision in the city.

Midway through the session, Alberto Hernandez, a manager for the city’s preventative police department, stood up to present the city’s LOCATEL program. As Hernandez explained, LOCATEL was a program for citizens in need of information and assistance. Citizens could call the LOCATEL number and it would connect them directly to the police field commander within their area. If the commander did not pick up the phone, the call would be directly transferred to the city’s emergency services (similar to 911 in the U.S.). Hernandez advertised the program to the private security representatives at the session as an ideal method for their guards and other employees to contact the local police department for assistance and information.

After his explanation, Hernandez announced that he would do a live demonstration to show how the program worked. He asked the audience to call out

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the name of a neighborhood. Someone in the crowd called out a neighborhood in the borough of Coyoacán. The manager looked up the LOCATEL number for the neighborhood and dialed it on his cell phone. He held the phone up to the microphone so everyone in the audience could hear it. The phone rang multiple times until a recording came on stating that the call would be transferred. Then the call went dead. Hernandez and Raul Rojas Mendoza, the Executive Director of the Dirección General de Seguridad Privada, looked at each other and started discussing whether they called the right number. Hernandez then tried to make the call again but to no avail. Mendoza Rojas then stepped in and made the call on his own phone. At this point, people in the audience started to fidget in their chairs. Some mumbling could also be heard within the crowd. Trying to salvage the situation, Hernandez asked the crowd to call out a new neighborhood. Someone yelled out “Unidad Modelo en Itzapala.” After finding the phone number online, Mendoza Rojas called it, but instead of connecting, the phone started beeping incessantly. People in the audience became visibly impatient and a few called out that they had the same problems with LOCATEL. “You call it and it never connects!” one man shouted in Spanish. There was more mumbling in the audience. The executive director told everyone the call should be redirected to emergency services but for some reason it was not working.

Eventually, a man with a suit and glasses walked to the podium and whispered something to Mendoza Rojas. He made the call again and this time it was answered.
by a field commander. The session continued as planned, but the awkwardness of the LOCATEL snafu lingered.

The above anecdote above helps to encapsulate the Mexican state’s relationship with the private security industry. State ineptitude and institutional weakness has not only limited the state’s effort to control, direct, and develop close ties to the private security sector, but created an uneasy and distant relationship between the state and the industry. Mexico, like many other countries throughout the world, has experienced a boom in the private security industry over the past forty years. The rise of non-state security actors providing security needs to society forces us to re-think the nature of the state. Public security provision is one of the defining traits of the modern state and arguably the most vital service provided by the state to its citizens. This standard was set by Weber (1946) who classically defined the state as “a human community that (successfully) claims the monopoly of the legitimate use of physical force within a given territory” (78). Later scholars have altered, challenged, and tinkered with Weber’s definition, however, protection and security still tends to remain a key element to our understanding of the state. As Abrahamson and Williams (2011) explain, “the public nature of protection…is (in theory) among the most important constitutive principles of the modern state and conceptions of sovereignty, and one of the key markets and tests of legitimacy in modern politics” (7). The emergence of private security, therefore, raises serious questions about how we conceptualize state power, capacity, legitimacy, and policing in a world in which
security provision is being rapidly commodified. We can better understand these issues by investigating how states have navigated and negotiated the growth of private security and grappled with a potential competitor to provide their most essential service. Does the private security sector inherently challenge state power and legitimacy or are there ways in which states can manage the industry so that benefit itself and society? How have states reacted to the rise of private security? How does the quality and make-up of state institutions affect this relationship? Are some strategies more effective than others? Through their reactions to and interactions with each other, states and private security providers have shaped each other’s actions and form. Through my study, I conceptualize different ways in which states have responded to the widespread emergence of private security companies within their borders and the consequences for each of these responses. Using this conceptualization allows for novel insights into the varied and complex relationships that can emerge between states and private security providers that go beyond traditional and simple conclusions that private security naturally weakens the state.

**Defining Private Security**

Private security is a broad term that covers a wide range of activities and actors – from mercenaries to bulletproof car manufacturers to mall security guards and beyond. For the purposes of this study, I use the U.S.’ Private Security Task force’s definition of private security to understand the term:

> those self-employed individuals and privately funded business entities and organizations providing security-related services to specific
Private security encompasses both domestic and international actors who tend to either focus on replicating – to a degree – the services of police departments by serving individuals and businesses in a preventative role against crime (usually theft) and violence or replicating the services of military actors. The former actors are referred to as private security companies (PSCs) and the latter are called private military companies (PMCs). PSCs have a much greater presence throughout Mexico and serve as a greater challenger to the state’s legitimacy. PMCs play a smaller and different role than private security companies in Mexico. These companies have much less contact with the public as they are more involved in protecting energy installations and training Mexican police and military agents in combatting narcotrafficking.  

The Global Growth of Private Security

Over the past forty years, the private security industry has grown rapidly throughout the world. Scholars have connected the growth of this industry to institutional, structural, economic, and ideational factors. More specifically, it has been linked to increases in crime and violence combined with exaggerated perceptions of fear among the public (Regallado Santillán 2002, 184; Cafferata 2010;  

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2 For more on PMCs, see Avant (2005), Singer (2003), Leander (2005), Perret (2013), and Krahmann (2008).
Ungar 2007-2008); a softening of opinion and shift in ideology that is more supportive of private security provision among key political actors and organizations (Joh 2006); a shift in the organization of societies on the basis of markets and the imposition of economic policies based on a neoliberal ideology that encourages privatization, resource cuts to the public sector, and a general contraction of the state (Spitzer and Skull 2001; Muller 2010; Cafferata 2010; Ungar 2007-2008; Shearing 1992; Thorburn 2010; Weiss 2007-2008; Abrahamson and Williams 2011); legacies of state-sponsored devolution of security functions (Argueta 2012; Huggins 1998); and ineffective law enforcement institutions and criminal justice systems (Arias 2009; Ungar 2009; O’Toole 1978; Holmqvist 2005; Muller 2010).

The market for security’s estimated worth is $180 billion and projections show that it will increase to $240 billion by 2020 (Provost 2017). Industry growth has been significant in both the Global North and South. Approximately 20 million registered private security guards operate worldwide, a figure that almost doubles that of public security forces (UN News Centre 2011) According to a recent report by the Guardian, “more than 40 countries – including the US, China, Canada, Australia and the UK – have more workers hired to protect specific people, places and things than police officers with a mandate to protect the public at large” (Provost 2017). In the United States, 5.2 million people work in private security while over a million work in the industry in Europe (Bowles and Jayadev 2014; van Steden and Sarre 2007, 222). In Latin America, private security has steadily grown by 10 percent each year. In the region today there are almost 50 percent more private guards operating in the
region compared to police officers (United Nations Development Programme 2013). In Africa, there are four private security employees for every one uniformed police officer (Singer 2003, 69). Private security is particularly prevalent in South Africa where more than 9,000 companies operate. The 400,000 registered private security guards working in the country are more than the combined number of the government’s police and army corps (Eastwood 2013). Parts of Asia have also seen their private security industries grow by as much as 20 to 30 percent per year. For example, a reported 4,000 private security companies employing 4.3 million security personnel are currently operating in China (Zhang 2016).

**Literature on Private Security**

Private security studies is a growing field that is gradually spreading throughout a number of disciplines, most notably, criminology, sociology, political science, and anthropology. As a sign of its growing prominence as a field of study, the *Routledge Handbook for Private Security Studies* was published in 2016. Nevertheless, most of the literature on private security focuses on the Global North. Gaining a better understanding of public-private security relationships in the Global South is particularly essential considering the often greater precariousness of the state and the potential threat had against its legitimacy. Yet while there is a growing literature on private security in Africa (see Diphoorn 2006; Abrahamson and Williams 201; Higate and Utas 2017), a startlingly few academic studies, beyond a handful of book chapters (see Wood and Cardia 2006; Regallado Santillán 2002; Caldeira 2002) and journal articles (see Arguetta 2012; Muller 2010; Davis 2009;
Ungar 2007-2008; Davis et al 2003; Perrett 2013), have examined the private security industry in Latin America. A working paper published by the Global Consortium on Security Transformation in 2010 was able to find “only eight documents [that] examine the privatization of security in Latin America” (Cafferata 2010, 1). Most research on the private security industry in Latin America has been produced by think tanks and governmental and international organizations, particularly the Organization of American States, in the form of policy-oriented reports. These reports either focus on “industry trends,” “institutional analysis,” or “regulatory frameworks” (2010, 2). The general consensus coming out of these reports is that the growing private security industry threatens state power and creates unequal access to security provision. Moreover, they tend to argue that the industry must be reined in by the state through more regulation and better mechanisms for monitoring and control (Cafferata 2010). While these reports provide useful insights and comparative data regarding the private security industry, their empirical data are somewhat thin and their theoretical interventions are relatively underdeveloped, as they are more focused on surveying the situation and making policy recommendations.

The few scholarly works on this subject tend to view the growth of the private security industry in Latin America as dangerous to public safety and state control (Ungar 2007-2008; Davis 2009). By scaling back their own security services, states open gaps that are filled by private security actors. With citizens’ increased reliance on private protection, the legitimacy and relevance of state programs and laws are undermined and citizens’ confidence in the state is reduced. These studies also
lament the lack of regulatory enforcement and provide some preliminary findings regarding why this is the case (Perrett 2013; Ungar 2007-2008; Davis 2009; Muller 2010; Regallado Santillán 2002). The few studies on Mexico (Perrett 2013; Muller 2010) agree with this outlook. Perrett (2013) shows how strict private security regulations imposed by Mexican states and the federal government are poorly enforced, leading to widespread evasion of the law by private security companies. Muller (2010) exhibits how regulators in Mexico City are poorly trained and not provided with enough resources to effectively monitor the activities of private security companies. Regulation takes on a “reactive character” in which enforcement only takes place when abuses are reported by citizens or the media (140-141). These two articles serve as an excellent introduction to the relationship between private security and the state in Mexico. Muller, however, admits that his findings are of a “descriptive and tentative nature” that “offer us no more than just a glimpse” of the situation in Mexico (2010, 134-135).

Beyond the obvious need for more studies on private security in Latin America, it is also imperative that we more carefully conceptualize the relationship between the state and private security in the region in order to move beyond the relatively one sided debate that private security hurts the state. Private security is a booming business and it is unlikely that industry growth will be reversed in the near future. Moreover, demands for outlawing private security services are unreasonable at this point considering “both the demand for and supply of such services have reached the point that it would not be possible to do so” (Born et al 2007, 4). Thus, as
Sparrow (2014) points out, “being in some general sense “for” or “against” private security is not helpful, as such views are inadequately nuanced or sophisticated given the variety of issues at stake” (2). Therefore, we must move beyond simple criticisms of (or in some instances praise for) private security and instead begin to understand the varied relationships between the state and private security companies with the recognition that certain forms of interaction between the two entities may be more problematic than others and, in some cases, positive and beneficial.

Private Security and the State

The impact of private security on the state is a major focus in the literature. The expansive growth of private security provision throughout the world has raised serious questions about how we conceptualize the state and policing. Can we continue to conceive of states according to Weber’s classic definition when private security has become widespread in both the first and third worlds? Furthermore, can we continue to view policing as the sole responsibility of the state? Two perspectives tend to reign supreme in this debate: monopolists and pluralized policing proponents. The monopolist approach is a more traditional view that emerged from Hobbes and today strictly adheres to Weber’s definition of the state. Proponents of this view (Thorburn 2010; Garland 1996, Davis 2009; Soifer 2012) lament the growth of private security because of the assumption that it naturally threatens and erodes state power. Private security is viewed as illegitimate and results “in anarchy” while public security leads to “peace and stability” (White 2010, 24). For example, Davis argues that states lose one of their key functions when citizens increasingly rely on
non-state actors for their security needs. The state’s legitimacy is brought into question if it is no longer relied upon to fulfill one of its core responsibilities, protecting its population from physical threats. Davis presents a somewhat apocalyptic vision regarding the future of states and imagines a world in which they will wage a perpetual and potentially losing struggle against these “new sub- and trans-national territorial domains” (242). This approach to understanding security provision represents the dominant viewpoint towards security matters in politics and society. As White (2010) explains, “Hobbes and other monopoly theorists, together with countless state actors over the past three centuries, have collectively helped to make the idea of a state monopoly over security provision one of the most pervasive political norms in the world today” (25).

These scholars tend to forget Weber’s key addendum to his definition that “the right to use physical force is ascribed to other institutions or individuals only to the extent to which the state permits it” (1946, 78). Weber, himself, thus provided an opening in which the private security industry could play a role in society without inherently challenging state power. Scholars promoting the plural policing model have begun disputing the monopolist approach with greater frequency over the past thirty years. The plural policing approach challenges the monopolist view by promoting the idea that boundaries between state and non-state security have been blurred.3 Therefore, no actor possesses a monopoly over security provision. Within

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3 Thomson (1994) makes a strong case that these boundaries have always been blurred by highlighting states’ historically ambiguous relationships with pirates, mercenaries, and mercantile companies.
this view are proponents of the “nodal governance” model, originated by Shearing and Stenning (1981), which calls for transcending “the state-centered view of governance” that ignores the appearance and increasing power of “private governments” (Shearing 2006, 12). This approach focuses on “nodes,” which are entities with “some institutional form…. [that] must have sufficient stability and structure to enable the mobilization of resources, mentalities and technologies over time” (Burris 2004, 341). A plurality of nodes interacts with one another and no individual node is able to realize complete governance on its own (Wood 2006, 221).

According to this view, security has moved “beyond the state.” All security actors, public and private, are placed on the same plane, competing and allying with one another to create new “security assemblages” that produce order. Moreover, the creation of these new security assemblages does not imply a natural weakening of the state, but simply a new form of the state that may be stronger or weaker depending on the circumstances (Abrahamson and Williams 2011).

Loader and Walker (2006) created the anchored pluralism model as a conceptual category situated between the monopolist and nodal governance models. This approach accepts the idea that policing has become pluralized, but argues that the state still holds precedence over other security actors and “should remain the anchor of collective security provision” (Loader and Walker 2006, 194). According to Loader and Walker, the ingrained nature of the monopolist viewpoint in politics and society has granted public police forces a “symbolic power” that goes beyond “a reasoned calculation of what the police can accomplish by way of social
protection...when people think of crime and order they reach as it were instinctively for the police” (Loader 1997, 3; White 2010, 26).

Joh (2006), Muller (2010) and White (2010) provide valuable evidence from case studies in the United States, Mexico City, and England that challenge the idea that security has moved beyond the state. These authors show how the state continues to play an integral and outsized role in shaping the form and workings of private security firms operating within their borders. My approach follows within the anchored pluralist tradition. I recognize that security provision is largely pluralized throughout the world where the boundaries between state and non-state security are constantly shifting and that the consequences of this pluralization does not necessarily imply a weakening of the state. Nevertheless, I also recognize that security has not transcended the state. The state still, by and large, takes precedence in terms of providing and being expected to provide security to its citizens as well as dictating through its actions the manner in which non-state security actors, and particularly private security companies, originate, grow, and manifest themselves. The state, therefore, needs to be emphasized as the key actor for how we understand private security.

4 The Marxist viewpoint goes even further by arguing that private security strengthens the states and its “coercive and violence capacities” (Weiss 2007-2008, 12). In the same vein as David Harvey, Marx and C. Wright Mills, Weiss views the state as existing to uphold the interests of the capitalist class. Taking a historical view, Weiss argues that private security is not a new phenomenon, but something that has been revived by neoliberalism in order to benefit the capitalist class and thus by extension, the state.
Additionally, I bring attention to the important hold that Weber’s definition of the state has on state actors. The fact that policing has become pluralized across the world does not discount the fact that state actors still tend to hold on to the view that states should possess a monopoly on force and strive to uphold it if threatened. Thus, the state’s approach to and interactions with the private security sector is conditioned and often driven by the monopolist viewpoint. Moreover, by approaching private security through the lens of anchored pluralism, I push forward the literature on private security in Latin America by adopting a more balanced, less exclusively negative view of private security-state relations as opposed to the traditional monopolist view that has dominated the literature. While many notable scholars have investigated a variety of important facets related to the industry and its effect on states and societies, there is a lack of comprehensive studies regarding the ways in which private security companies affect state capacity, particularly in Latin America. Through this dissertation, I hope to fill this gap in research by focusing on the private security industry in Mexico and the state’s varied reactions to its rapid growth within the country.

**State Capacity in Latin America**

Much of the recent literature on state capacity\(^5\) (Soifer 2015, Saylor 2014, Kurtz 2013) in Latin America takes a comparative historical approach in asserting

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\(^5\) I define state capacity according to Mann’s (1984) conception of infrastructural capacity. Mann (1984) defines “infrastructural power” as “the capacity of the state actually to penetrate civil society, and to implement logically political decisions throughout the realm” (113). Moreover, the term signifies the state’s ability to “centrally coordinate the activities of civil society through its own infrastructure” (114).
that resource curse theories\textsuperscript{6} and Euro-centric bellicist approaches\textsuperscript{7} to understanding state capacity are flawed and poorly applicable to the region. Based on the broad question of what makes some states strong and others weak, these works seek out specific variables and moments in time that served as critical junctures for various Latin American states to begin their path to strength or weakness today. Many focus on state-building projects. For example, Saylor focuses on political alliances and coalitional politics to explain why some states engaged in major state building projects that helped create for greater state capacity in the long-run. Soifer, on the other hand, emphasizes the motivations of local administrators to understand why these projects succeeded in some countries and failed in others. While interested in state capacity, my project diverges from these studies by focusing on state capacity in the present day. I find that varying levels of state capacity determine the actions and constraints of government functionaries in Mexico and their ability to regulate and contain what they may view as threatening and delegitimizing non-state actors.

\textsuperscript{6} The resource curse approach is based on the idea that states in possession of bountiful and valuable natural resources will fail to develop strong institutions. Because resources are easily and readily available, there is no need for the creation of a strong tax base and thus there is no subsequent development of strong public institutions. Moreover, diversification of the economy fails to occur and resources tend to be used inefficiently as elites use them for personal gain. For examples of this approach, see Karl (1997) and Sachs and Warner (1995).

\textsuperscript{7} This approach, popularized by Hintze (1975) and Tilly (1990) promotes the idea that wars and military competition drove states to improve their capacity to extract resources (i.e. taxes) from their populations in order to fund the development of strong armies and navies. Creating a greater capacity for extraction necessitated better and more organized administration and led to the creation of strong public institutions. According to this argument, European states were able to develop strong institutions because of constant military competition with other rival powers while states in other parts of the world, such as Latin America, never underwent these types of state-building efforts due to a lack of inter-state warfare.
Dargent (2015) takes a somewhat different approach from Soifer, Saylor, and Kurtz by assessing how capacity can vary within a state. He focuses on just two areas – the health and economic ministries - within the state to show how different state agencies have varying capacities. I follow this approach by focusing specifically on the security sector in Mexico. As mentioned earlier, security is one of, if not the, most important sector pertaining to state strength and survival. The police serve as “the most public manifestation of governmental authority” and “the emblematic expression of everyday state power” (Bayley 2001, 13; Muller 2012, 20.) Through the police, the state can attempt to enforce its will onto society, uphold the law, and reduce disorder. Nevertheless, in the case of Mexico, the corruption, abusiveness, and weakness of the state’s security forces has strained its relationship with the private security industry thus reducing its ability to effectively collaborate with private security firms in efforts to reduce crime and uphold law and order.

Moreover, aside from Dargent, these studies are all intra-regional approaches. A focus on national dynamics overlooks the rich regional variation within highly diverse countries, particularly federal states with federal systems, such as Mexico, and leads to incomplete understandings of state power by failing to recognize differences in state capacity at the sub-national level and the ways this affects inter-state relations and state-society relations. Similar to Moncada’s criticism of studies

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8 It must be noted that the police may not, and often are not, operating in the interests of all of or even the majority of society, but instead functions to maintain the survival and reproduction of the state and/or the regime in power (Goldsmith 2002). Moreover, Scott (1998) demonstrates how state impositions on society can have disastrous effects, especially if they do not take into account the knowledge, needs, and desires of the local population.
on the politics of urban violence (2016), studies on private security tend to either be macro- or micro-level approaches. My project, therefore, employs a multi-scaled approach that looks at national, state, and city level political and institutional dynamics and their effects on private security provision. Investigating the issue from the sub-national level is particularly essential because Mexico has a federal system; therefore, regulations are created and enforced at the state, national, and municipal levels. I primarily look at Mexico City, the city with the largest presence of private security providers and use Jalisco and Nuevo León as shadow cases. Guadalajara, Jalisco and Monterrey, Nuevo León are the second and third largest cities in Mexico and also have the second and third largest concentrations of private security providers in the country. Mexican cities are spaces in which private security contracting is most prevalent due to higher levels of crime, the wider prevalence of wealthy assets, and a more heterogeneous population that include a significant number of people able to afford the services of private security firms. Additionally, neoliberal reforms, most notably privatization, have been employed “with particular intensity at the urban scale,” thus we are more likely to see private security providers in large Mexican cities as opposed to other spaces in the country (Brenner and Theodore 2002, 367).

I also follow the perspective of several scholars who view the state as a set of disaggregated actors. This perspective provides a useful corrective to approaches that reify the state as a unified unit operating according to a coherent set of inherent interests. Migdal (1994) argues that this perspective “results in consistently overestimating state power and autonomy” and focuses too closely on officials at the
highest echelons of power in the government (14). In reality, states are diverse and fragmented entities made up of a variety of actors pursuing a variety of interests and affected by social forces in different ways. According to Stanley (1996), “we need to treat institutions of the state as actors with at least some degree of autonomy of interest and action; acknowledge that the state is not a unitary actor but a collection of competing groups, institutions, and factions, with different interests, perceptions, missions, and preferences” (8). Therefore, it is not only important to look at the relationship between the state and society, but also to understand “politics within the state” (5). Only by studying the state at multiple levels is it possible to gain a fuller picture of the way it operates (Migdal 1994, 15-18). This perspective of the state as a fragmented entity allows for a more proper analytical approach to understanding how states relate to and attempt to deal with private security providers. My study, therefore, looks within the state by addressing the ways in which government institutions and state actors, both within and across federal, state, and city governments, have affected the relationship between the state and private security. Relationships between government institutions and individuals and groups within society, some moving within, outside, and within the state again, also play an important role in this study. As my investigation shows, state decisions regarding how to incorporate, regulate, collaborate or coordinate with private security firms and the outcome of these choices has been affected by rivalries between police departments, collusive relationships between federal and state entities, and access by business interests to the state apparatus. Understanding state – private security
relations in Mexico is impossible without understanding these fissures within the state.

**Mexico as a Case Study**

Mexico serves as a fitting case study for a number of reasons. First, Mexico has a growing and thriving private security industry. An estimated 450,000 private security guards operate in Mexico today. These guards are employed by approximately 8,500 companies; 3,500 of which are registered. Growth remains steady as the industry grew by 14 percent in 2013 and 16 percent in 2014. Today, the private security industry represents 1.6 percent of the nation’s GDP (Frutos 2014, 19).

Second, Mexico’s level of development is representative of a majority of states in the world. It is a young democracy attempting to consolidate itself while grappling with similar problems, such as growing insecurity, inequality, and corruption afflicting many Global Southern nations. It does not possess the developed, robust institutions seen in the Global North, yet it is also far from a failed state, where state institutions are barely operable and regimes are no longer able to provide basic services, such as education and security, to their citizens. Mexico’s state institutions are different from those already examined in the literature on private security in the Global North, but not so crippled that they are unable to function.

Third, high crime and violence rates have posed a serious challenge for Mexico’s government and public security institutions. Similar to other parts of Latin America, Mexico has suffered high levels in crime and violence throughout the
country, particularly in cities. 10 of the 50 most violent cities in the world are located in Mexico. The country’s murder rate in 2016 was 20 per 100,000 (Animal Político 2017). In comparison, the murder rate in the United States is 10.8 and only 1.68 in Canada (Williams and Davey 2016; Government of Canada). At least 80,000 people are estimated to have been killed in organized crime related violence since the onset of Mexico’s intensification of the war on drugs in 2006 (CNN 2017). Moreover, kidnappings have skyrocketed in Mexico from a reported 278 in 2005 to 1,698 in 2013, making it the “kidnapping capital of the world” (Cawley 2014). In 2008, a report by the United States Joint Forces Command raised fears that Mexico’s security situation had become so dire that the country was at risk of collapsing. Under a section entitled “Weak and Failing States,” the report stated,

The Mexican possibility may seem less likely, but the government, its politicians, police, and judicial infrastructure are all under sustained assault and pressure by criminal gangs and drug cartels. How that internal conflict turns out over the next several years will have a major impact on the stability of the Mexican state. (USJSF 2008, 36)

In this context of high insecurity and weak public security, how have federal, state, and local governments dealt with the rising private security industry? What efforts have been taken by the state to direct and control the private security in a way that would make it a “force multiplier” for the government’s public security forces? Has private security strengthened or weakened the state? How has Mexico’s level of development and the relative strength or weakness of its institutions affected these efforts?
Fourth, as mentioned earlier, Mexico has a federal system. This system was technically established in the nation’s 1917 constitution, but did not truly begin to come into effect until the 1990s with the onset of democratization and political and economic decentralization. Mexico’s federal system allows for investigating potential variation in the ways in which different states have attempted to relate to the private security sector (Ai Camp 2007, 194-195). Moreover, law enforcement in Mexico is divided between federal, state, and municipal governments and accorded different functions. These divisions provide more opportunities for understanding how police departments at different levels relate to and affect the actions of private security providers.

The Argument

The Mexican state has attempted to incorporate, regulate, and coordinate and collaborate with the private security industry in order to strengthen itself by exerting control over this massive group of non-state security actors who have the ability to enhance the state’s capacity to impose order and reduce crime and violence. Nevertheless, these actions have backfired in ways that have led to a situation in which the state and private security providers tend to have a distant and sometimes competitive relationship fueled by mutual wariness of each other.

First, the poor quality and reputation of Mexico’s police forces has caused private security firms to distance themselves from the institution and thus limit coordination and collaboration with the state. Second, strict regulations combined
with corrupt and poor enforcement has encouraged firms to avoid registration and operate in informality. Finally, attempts to incorporate non-state security actors into state police forces led to the creation of corrupt and exploited public security units that, in some cases, unfairly compete with private security firms and create further resentment from the industry. As a result, the state is weaker for not being able to effectively regulate, control, and coordinate with an industry that can ultimately challenge or enhance the state’s monopoly on the legitimate use of force and its ability to maintain law and order. Ultimately, we learn from the Mexican case that states play an essential role in shaping the form of the private security sector and the actions of individual firms. The make-up of the state and the quality and comportment of state institutions, particularly public security institutions, seriously affect government strategies to control and direct the private security sector and the relationship between the state and the industry.

I organize the dissertation around the three primary strategies in which the Mexican state has attempted to control the private security industry and increase its state capacity: incorporation, regulation, and coordination and collaboration. 

Incorporation

I use the term incorporation to describe actions taken by the state to convert private actors and/or entities into state actors. In relation to private security providers, incorporation is the state’s most direct and immediate attempt at improving state capacity. The Mexican federal government and Mexican states have used
incorporation as a tactic to control non-state security actors and strengthen their own public security forces. Most notably, beginning in the 1930s, the federal government started the process of incorporating night watchmen into the Mexico City police department. These watchmen emerged in Mexico City in the 1920s as the city dealt with high levels of crime and violence while it was rebuilding after the destruction wrought by the Mexican Revolution. By incorporating this large swath of non-state security actors, the state was ostensibly improving its capacity by significantly expanding its police forces with experienced watchmen and eliminating a competitor to the citizenry’s loyalty and the state’s monopoly on force.

Nevertheless, the institutional weakness of Mexico City’s police forces ultimately prevented improved state capacity through the incorporation of these watchmen into the state. Watchmen were integrated into a corrupt and abusive police force that had low hiring standards and provided poor wages and training to its cadets. The Policía Auxiliar eventually gained a reputation for being the least respected branch of the city’s police department. Other states followed the lead of Mexico City by incorporating watchmen into their own police departments, however, in a much more ad hoc and partial manner. Using the cases of Jalisco and the State of Mexico, I show how the partial incorporation of non-state actors into state police forces exacerbated the type of negative consequences seen in the Mexico City case. Due to their partial incorporation, these forces are held unaccountable, co-opted into private armies for political and business interests, and unfairly compete with private security companies for public and private contracts.
Regulation

Scholars tend to agree (often implicitly) that imposing and enforcing regulations is the most effective tool for controlling burgeoning private security industries. Through regulations states can limit the scope of activities for private security providers and create clear differentiation between public and private security, thus safeguarding from overlapping responsibilities and confusion from the public regarding which forces are public and which are private. Additionally, by setting training, hiring, and labor requirements, regulations help to guarantee private security providers adhere to high standards thus ensuring high quality services that take account for the safety of employees, clients, and citizens at large. Mexican officials have followed this advice as the federal government, Federal District, and every Mexican state has developed some form of regulation to control the activities of the private security industry. These regulations vary by state to state, but in general, they tend to be comprehensive, highly detailed, and relatively stringent. Nevertheless, strict regulations and the costs related to abiding by them has disincentivized private security providers from registering with the government. Moreover, corruption involved in the registration and enforcement process has created an uneven system where those with links to the government, particularly former members of the state’s security apparatus, are given preferential treatment while others may have their registration delayed or be forced to pay bribes. Corruption in the system has further promoted widespread regulations evasion and a market for security that is dominated by unregulated private security companies. As a result and despite its intentions to
the contrary, the state has very little control over the operations of private security companies and thus its own weakness has been reinforced.

**Coordination and Collaboration**

Improved capacity may also be achieved through efforts to coordinate and collaborate with private security firms. By delegating some security provision responsibilities to private actors, the state may be able to expend fewer resources protecting the populace while simultaneously maintaining its reach into society. Moreover, the state could increase its legitimacy and presence throughout its territory by coordinating with the private security industry to enforce its laws and create order in areas where it may have less access. Overall, by collaborating with private security companies, the state is able to uphold its “monopoly of authoritative binding rule-making” while also creating for broader enforcement of its authority throughout society (Mann 1984, 112). Through the passing of regulations, agreements, and good faith efforts, Mexican federal, state, and city governments have attempted to develop collaborative efforts between the state, public police forces, and private security companies. Despite these efforts, however, collaboration has been relatively minimal due to historical legacies of corrupt, abusive, and unpopular police forces. One may hypothesize that the greatest obstacle to effective public-private collaboration would be that public forces feel deeply threatened, challenged, and potentially displaced by non-public actors providing such a quintessentially public good. Yet, in fact, the greatest obstacle, is the poor reputation and performance of the public forces, which discourage private sector actors from collaborative relationships. Fears of being
associated with the police has caused private security firms to distance themselves from the institution.

**Fieldwork**

My findings are based on the thirteen months of field work I undertook in Mexico City, Guadalajara, and Monterrey from 2013 - 2014. The first ten months (August 2013 – June 2014) were spent in Mexico City with short trips to Guadalajara and Monterrey interspersed throughout. I returned to Mexico in September 2014 and spent three months (September – December 2014) in Guadalajara and Monterrey with an additional brief visit to Mexico City and the State of Mexico at the end. I used qualitative research methods to collect my data, including semi-structured interviews, observation, and archival research. I conducted forty-five interviews with representatives from the public and private security field, including private security company owners, managers, consultants, and communications directors, police department executives and communications directors, state, city, and federal private security regulators, representatives of security-oriented NGOs, journalists, and academics. I also attended security expositions in my three case study cities as well as security meetings organized by state officials and meetings held between representatives of the private security industry and the Mexico City government. Finally, I undertook archival research in various university, city, state, and national archives in Mexico City, Guadalajara, and Monterrey.
Chapter Organization

Chapter 1 provides a succinct yet detailed history of policing and private security in Mexico. The chapter highlights the fluid nature between public and private security in Mexico since the colonial era. I emphasize Muller’s (2012) conception of Mexico as a “negotiated state” and highlight the Mexican state’s difficult and repeated failed attempts to achieve and maintain a monopoly over force since its founding. The chapter also traces the rise of the modern day private security industry in Mexico. The following chapters individually assess the different strategies used by Mexican governments towards the private security sector. Chapter 2 looks at the Mexican government’s incorporation of non-state security actors, particularly night watchmen from the early 20th century, and the ways in which this approach ultimately failed to improve the state’s capacity to reduce violence. It also looks at how the creation of this new force of auxiliary police officers in Mexico City and other states creates competition and resentment among private security providers. Chapter 3 analyzes the regulatory framework for private security companies as laid out in federal, state, and city laws. It then highlights the disconnect between the regulations and what’s happening on the ground in Mexico with unregistered companies run amok. Chapter 4 looks at attempts by the state to foster a collaborative relationship with private security companies. I emphasize the failure of these attempts due to private security companies’ efforts to distance themselves from the Mexican police force’s corrupt and abusive reputation while simultaneously attempting to mimic the ideal image of policing. I finish with concluding remarks.
about how the Mexican case broadens our general understanding of the state, private security actors, and their relationship. I also propose some avenues for future research on the issue.
Chapter 1

A BRIEF HISTORY OF POLICING AND PRIVATE SECURITY IN MEXICO⁹

Privatized forms of policing and security provision have existed since Mexico was colonized. Throughout the era of colonialism until the reign of Porfirio Diaz (1876 – 1911), the lack of a centralized state created a situation in which most policing was ostensibly private. Landowners administered their own form of justice within their haciendas, government officials and local strongmen hired private police forces or used public forces to serve their personal interests, and middle and lower class residents paid a fee for local watchmen to patrol their neighborhoods and protect their persons and private property. Modern policing began to be imposed under Diaz and was further refined and expanded during the long reign of the Partido Revolucionario Institucional (PRI) from 1929 – 2000. Nevertheless, private security continued to exist throughout these periods and into the present day in different forms and its various manifestations and periods of growth and decline have been closely intertwined with the actions of the Mexican state and federal, state, and local police departments.

This chapter will provide a brief history of private security in Mexico in order to show how private security provision and its relationship to the state has changed

and developed over time. Ultimately, I argue that the modern private security industry in Mexico emerged due to four key factors: (1) police corruption and ineffectiveness, (2) rising crime rates, (3) the onset of neoliberalism and (4) democratization and liberalization. Private security is now a booming industry in Mexico that is widely unregulated and far from the state’s control.

Colonial Period

Policing during the colonial period was highly decentralized and tended to serve little public function. Lacking personnel and financial resources, the Spanish Crown had limited infrastructural power in New Spain and, therefore, made little effort to politically centralize the colony. The colonizers were primarily interested in controlling zones of high economic value, such as mines and agriculturally rich areas, and spaces with large indigenous populations whose labor could be exploited (Muller 2012, 42-43). The Spanish used a “paramilitary structure” that made “little distinction between the police and the military” to control and police these areas. Protecting inhabitants of the colony from crime and violence was of secondary concern to the Crown (LaRose and Maddan 2009, 335). In the rest of New Spain, colonial administrators relied on local strongmen to serve as “the principal agents for the maintenance of law and order and the provision of security at the local level” (Muller 2012, 43). In exchange for loyalty to the Crown, these local strongmen were essentially granted the right to impose their will on the local population and use the colony’s “coercive resources” for their own personal interests. Often at the expense of the local indigenous population, strongmen used their own private police forces to
increase their power and wealth, for example, by illegally acquiring land and exploiting indigenous labor. These practices were tolerated by the Crown as long as they did not threaten its interests (Muller 2012, 43; McFarlane 1996, 56).

Beginning in the early 18th century, the Spanish Crown introduced the Bourbon Reforms in an attempt at political centralization. Local strongmen had become abusive and corrupt to the point that the Crown began to see them as a legitimate threat to the colonial economy (MacLachlan 1974, 24; Muller 2012, 43). Increased banditry and smuggling was also damaging New Spain’s economy. Faced with this “progressive deterioration of order,” the Spanish Crown attempted to impose law and order throughout its colony. In 1719, a special police force called the acordada was founded to fight crime in rural areas of the colony. Its jurisdiction was expanded to urban centers in 1756 (Muller 2012, 44). Vanderwood (1992) describes the police force as a “kind of roving court accountable only to the viceroy, the acordada was empowered to catch, try, and sentence criminals in an unlimited territorial jurisdiction” (18). The Crown’s goal of using the acordada as a centralizing force ultimately failed, thus forcing colonial administrators to rely on politically loyal local power holders to enforce their will. Local hacendados (landowners) and merchants were chosen as lieutenants for the acordada forces. These lieutenants then chose volunteer agents to serve under them and enforce the law. Yet again, local strongmen were given control over the Crown’s coercive resources, which they naturally appropriated to serve their own interests (Vanderwood 1992, 19; Muller 2012, 43). As Vanderwood (1992) explains, “the
acordada provided unrestricted opportunity to extort and to settle grudges. It gave hacendados the armed right to expand their holdings and power. Merchants could use it to harass competitors” (19). Complaints of corrupt and abusive behavior mounted against the acordada causing the Crown to gradually restrict its power until it became a shell of what it used to be (1992, 19).

Precursors to the Policía Auxiliar also emerged during the colonial era in the capital of New Spain. Colonial cities were patrolled by a variety of authorities, including municipal police officers, agents of the mayor, agents of the sala de crimen, New Spain’s high court, and guardas de pito. The wide variety of law enforcement bodies operating in the same area led to a chaotic environment in which “a criminal in the capital might be arrested by any one of several authorities” (MacLachlan 1974, 24). As MacLachlan (1974) explains, “Rather than leading to coordinated law enforcement, the situation often caused quarrels over who should sentence the offender” (24). In Mexico City, residents were closest to the guardas de pitos (whistle guards) who served under the authority of the Capitanes de la Real Sala de Crimen. Somewhat reminiscent of modern day private security guards hired by residents to guard their neighborhoods and private property, guardas de pitos served as watchmen who patrolled the streets from 9 pm until dawn with whistle in hand (Leandro de Viana 1782, 48). According to MacClachlan (1973), the guardas de pitos “bore limited responsibility for apprehending malefactors in addition to assisting the inhabitants in case of fire or personal emergency” (24). When encountering a criminal, the watchmen were expected to blow their whistle for support. Other
responsibilities included calling out the hour, looking for suspicious characters, and making sure people did not litter. Residents would pay one peso per month for their services (Leandro de Viana 1782, 47-50).

The *guardas de pito* were followed by the *guardas faroles* (lantern guards) who were more popularly known as *serenos*.\(^{10}\) In 1790, Juan Vicente de Gueméz, the Viceroy Conde of Revillagigedo, made an edict declaring a new tax that would allow for the provision of public lighting throughout Mexico City. It was believed that illuminating streets, parks, and plazas would prevent robberies, assaults, murders, and other crimes that were plaguing the city. *Guardas faroles* were charged with lighting, maintaining, and watching over these gas lamps in order to prevent crimes from happening in the darkness (Sierra 2002, 14).

During the 19\(^{th}\) century, approximately one hundred or so *guardas faroles* patrolled the streets of Mexico City at night, blowing a whistle when encountering a criminal. Similar to *guardas de pito*, *guardas faroles* served multiple functions and tended to have close relationships with residents of the neighborhoods (Sierra 2002, 14). It was considered a thankless and dangerous job. *Guardas faroles* were paid little and had their wages discounted in order to pay for their uniforms and arms. The *serenos* were easy targets for their enemies since they always carried lanterns. Moreover, pursuing criminals through the streets at night could be highly dangerous.

\(^{10}\) A direct translation of sereno into English is “serene.” The name originates from the common practice by *guardas farolas* to call out the hour of the night and finish by saying “y todo sereno” (translated as “and all is serene”). Eventually, residents started referring to the lamp lighters as *serenos* in lieu of their official title (Martínez 2010; Leandro de Viana 1782, 48).
(Campos Aragón 2005, 74-75). Many aspects of the serenos’ work was similar to that of Mexico City’s early 20th century night watchmen who would later be incorporated into the state through the formation of the Policía Auxiliar (14).

As evidenced above, the colonial era saw a variety of approaches towards policing, many of which skirted the line between public and private policing and tended to involve private citizens appropriating the state’s public security apparatus to pursue their own private interests. The same trend continued into the post-Independence period although with a slightly more clear demarcation between public and private. While the newly created Mexican state continued the tradition of relying on local strongmen to impose law and order, it also began a new tradition of incorporating non-state armed and/or security actors into the state’s policing apparatus.

Post-Independence

Post-independence was a highly chaotic period in Mexican history in which all effective policing was essentially privatized. Armed conflict between various power holders broke out almost immediately after Mexico was established as a federal republic in 1824. Lacking “effective institutions to mediate their differences,” strongmen amassed small armies and waged war against each other, some striving for local power and others national power. Between 1821-1875, the country endured an astounding eight hundred revolts (Vanderwood 1992, 28). On top of violent internal disputes, the Mexican government had to confront multiple foreign invasions,
including those by the United States, England, Spain, and France (Muller 2012, 43). Faced with instability and lacking significant revenues, local governments were unable to devote much time or money to public security (Vanderwood 1972, 323). The lack of law and order throughout the country brought massive increases in crime and banditry. As Vanderwood explains, “No property was safe, no trade route secure” (1992, 28).

The federal government gave states the authority to create their own militia and police units. These units were small and highly ineffective. Recruits were poorly equipped, received little training, and ultimately operated in the form of “vigilante-like outfits…more interested in robbing than protecting private property” (Vanderwood 1992, 31). Discovering that local and state controlled efforts to police banditry were highly unsuccessful, the federal government began experimenting in the 1850s with creating federal police forces to control the problem. The Guardia de Seguridad was established in 1857. The force was a nationwide “federal-state cooperative effort” modeled after Spain’s Guardia Civil. The Guardia de Seguridad, however, was unorganized and members of the force were poorly trained and under equipped. The force dissolved less than a year after its founding due to a lack of funds (Vanderwood 1972, 323).

Four years later, President Benito Juarez founded the Fuerzas Rurales de la Federación, known colloquially as the “rurales.” The force began as four corps mandated to secure and maintain order on the nation’s roads. Over time, the rurales became arguably the most important policing institution in Mexico until the Mexico
Revolution (Vanderwood 1972, 323-326). Amnestying and recruiting bandits to serve as rurales was a key tactic used by the federal government to fill the new force’s ranks. Many former bandits were given ranking positions within the new force. Wearing the traditional charro outfit, the rurales’ uniforms looked like those of the Plateados, Mexico’s most powerful group of bandits at the time. While converting criminals into lawmen was not unprecedented in Mexico,¹¹ this was the first time it was being done at the national level. As Vanderwood (1992) explains, “From the viewpoint of the government, especially one that is weak or inefficient, robbers must be conciliated like any other armed force” (54).

There were consequences, however, for recruiting bandits into the ranks of the new police force. For example, many outlaws turned policemen continued to partake in criminal activities. According to Vanderwood (1992), “When Mexico’s bandits became Rurales, they remained in large part brigands” (63). The government received numerous complaints about the rurales robbing and terrorizing Mexican citizens. Corps of rurales were accused of looting and raiding villages, robbing haciendas they were assigned to protect, and stealing from travelers. Some entire corps of rurales converted to brigands and began robbing the government. For example, one unit of rurales joined the ranks of a notorious caudillo who they had been charged with apprehending (Vanderwood 1992, 53-62). Although largely unsuccessful, incorporating bandits into the state’s law enforcement apparatus set a

¹¹ For example, Guanahuato’s governor, Manuel Doblado, built his power base by converting bandits into lawmen in his police force (Vanderwood (1992, 53).
precedent for future acts by both the federal and state governments to incorporate non-state security actors into public security forces.

Merchants, ranchers, mine-owners, and commercial firms responded to rising insecurity by hiring or establishing their own private militias or police forces to protect their goods and land. As Kitchens (1967) explains, “such bands were authorized by and theoretically subjected to inspection by the central government. They were administered and paid, however, by the … ranchers who organized them” (443). The federal government even contracted with vigilante groups and private militias headed by former military commanders to help reduce banditry on strategic roadways. Some of these groups had bold names, such as Resguardo de México and Cuerpo Defensores de la Libertad, however, “they made no noticeable progress in solving the general problem of Mexican banditry” (Vanderwood 1972, 327).

Private security was therefore widespread during this era. Similar to the colonial period, each strongman had his own private coercive force to do his bidding. Landowners retained private troops, municipal presidents used their police forces for private gain, and governors controlled personal militias (Vanderwood 1992, 31). Those with the means and resources created their own private coercive forces to do their bidding, while others either joined these forces or went defenseless.

Porfiriato

During the reign of Porfirio Diaz (1876-1910), major efforts were made to improve public safety and centralize political leadership. Diaz reorganized and
strengthened the *rurales* to quell banditry and lawlessness raging throughout the country. Eventually giving up the practice of recruiting and conscripting bandits and criminals into the force and leaving behind the problems that strategy created, the *rurales* “became one of the symbols of Porfirian Mexico’s ‘law and order’ and ‘ruthlessness’ by using highly repressive measures to reduce crime and non-state violence” (Kitchens 1967, 444). Through negotiations and partnerships with regional powerholders, Diaz successfully centralized the country to a degree to which the federal government had the upper hand. Economic development combined with government repression shunted banditry to the side thus reducing insecurity and the need for large private militias and private police forces. The *rurales* also set a precedent for future policing in Mexico in which “the public security forces not only fought crime, but also had a dual mission of repressing political opposition” (Sabet 2012, 5). This “dual mission” of the *rurales* began a trend, that some argue continues to the present day, in which Mexican police forces became more focused on political loyalty to the government in power than reducing insecurity for the general population. As Sabet (2012) put it bluntly, “Rather than to protect citizens, their job was to protect the state” (6).

In 1879, Diaz also reorganized policing in Mexico City through the creation of the *Gendarmería Municipal* to professionalize and centralize the force. Up to that point, policing continued to operate in a manner reminiscent of the colonial era. Playing similar roles as the *guardas faroles* of the past, inspectors and their assistants in the post-Independence era patrolled neighborhoods where they resided to ward off
crime and performed other duties, such as tax collection and firefighting (Piccato 2001, 41). Unlike these inspectors of the past, the new *Gendarmería Municipal* were differentiated from the rest of the public with special uniforms and made accountable to their superiors. As Piccato (2001) explains, “The police…were to become an instrument of the state, rather than an extension of barrio life” (42). Despite these efforts, however, the new police force was highly disorganized. Attempts at professionalization were curtailed due to low wages and “exacting disciplinary practices” that caused a large number of police officers to desert the force. Residents also felt alienated from the new police force. No longer were they intimately familiar with those patrolling their streets. Police officers were frequently abusive and bribery collection became routine within the institution. Citizens regularly resisted the police and complained about their abuses (43-45). The alienation and distrust felt by residents towards the *Gendarmería Municipal* planted the seeds for a future rise in private security throughout the city.

**Post-Porfiriato**

The Mexican Revolution (1910 – 1920) brought the collapse of Porfirio Diaz’s regime and fundamentally altered the structure of Mexican government and society. As the conflict was winding down, President Venustiano Carranza became concerned that anti-revolutionary elements had too much control over the police and the courts. In response, the 1917 Constitution separated the police into two forces, the preventative and the judicial police, serving under different authorities. The preventative police were designed to serve as beat cops – patrolling the streets,
preventing crimes from occurring, and maintaining order. The judicial police were charged with investigating crimes, arresting suspects, and prosecuting them. Notably, only the judicial police were given the authority to arrest suspects. The judicial police were put under the command of the Ministerio Público, which was supervised by the president’s office. This action closely linked the judicial police force to the executive branch. The presidency, therefore, began giving the judicial police more responsibilities and funding (Davis 2006, 63-64).

Links between the police and local communities were loosened due to the police’s newfound autonomy (Picatto 2001, 186; Davis 2006, 64; Ungar 2007-08, 94-95). Due to this distancing, the judicial police were able to escape accountability from the public. As Piccato (2001) explains, “Rather than a sign of greater security, the enhanced role of the judicial police often meant that police actions escaped public scrutiny” (186). As a result, police corruption surged along with citizen distrust of the institution. For example, policemen often asked for money to search for suspects. Consequently, private investigative agencies emerged, offering the same service with the promise that they would implement “new methods” in their search for criminals. Few regulations existed for these agencies (187). Private groups of watchmen also began to appear in Mexico City in the 1920s. These watchmen were similar to modern day private security guards, except that as opposed to being employees of a company, they were hired individually or as part of a union or association. Watchmen were hired to protect citizens against rising crime rates and particularly to guard against car and home thefts, which had become increasingly common (SSPDF).
They played a similar role as *serenos* of the past – guarding and patrolling neighborhoods and receiving payments from residents in return. The number of watchmen operating throughout the city grew precipitously. Watchmen’s groups also began to emerge in other major urban centers across Mexico. In Mexico City, these groups often had contentious relationships with the police who saw them as a threat to their control over force in the city. The emergence of the *Partido Revolucionario Institucional* (PRI) and Lázaro Cárdenas’ election to the presidency would significantly alter the relationship between these groups and the state.

**The PRI Era**

The immediate years following the fighting of the Mexican Revolution were chaotic and conflict ridden. Regional rebellions and political assassinations were common. In 1929, the *Partido Nacional de la Revolución* (PNR) was founded and gained control of the presidency. The new party “offered an organizational framework for the reconciliation of competing political interests” by serving as an all-encompassing party that would house a wide range of political interests and ideologies and allow for stable and consistent (albeit non-democratic) transfers of power (Demmers 2001, 151). The new party eventually changed its name to the *Partido Revolucionario Institucional* (PRI) and controlled Mexican politics and the presidency until 2000. The party continues to be a force in Mexican politics today.

President Lázaro Cárdenas (1934 – 1940) shifted the relationship between state and society by instituting a corporatist regime that aligned with the popular
classes, particularly the labor movement, in Mexican society. Cárdenas embarked on
a project that incorporated key groups and industries into the state through
nationalization and the creation of corporatist organizations. Through this approach,
Cárdenas incorporated the various independent watchmen’s groups operating
throughout Mexico City into the state through the creation of a new police force
called the Policía Auxiliar (Davis 2010; Demmers 2001; Collier and Collier 1991).
Cárdenas’ successor, Manuel Ávila Camacho, also incorporated the Policía Bancaria,
a force created by Mexican bankers to protect their establishments, into Mexico
City’s law enforcement apparatus. Other states, such as Jalisco and the State of
Mexico, followed the example set in Mexico City by integrating the watchmen
operating in their states into specially designed public-private police forces designed
to provide protection-for-hire to public and private clients.

While watchmen’s groups were being integrated into the state during the 1930s and 1940s, private investigative firms continued to operate throughout Mexico. Businesses also created their own private security forces to protect their facilities from outside intruders and from theft and embezzlement by internal employees. In response to growth in these industries, the federal government passed its first private security law, the Reglamento para los Investigadores, Detectives y Policías Privados o pertenecientes a Organismos de Servicio Público Descentralizado o Concesionado (Regulations for investigators, Detectives and Private Police or those Belonging to Decentralized or Concessioned Public Service Agencies) in 1948 under the administration of Miguel Alemán.
In rural areas, landowners continued to mete out justice using their own private forces. This practice persisted throughout the entire PRI era to varying degrees throughout the country. Large landowners used their own private prisons and hired guns and paramilitaries called *guardias blancas* (white guards) to patrol their property and keep agricultural workers under control (*El Día*, 1983; UNCHR 2000). In parts of Chiapas, for example, landowners established their own private justice systems “playing the roles of police officer and judge in disputes among workers” (Bobrow-Strain 2007, 79).

Profit driven private security companies focused on protection instead of investigation began to appear in the 1960s and 1970s. Some of the earliest companies were formed by retired generals and other military higher ups in collaboration with the government to combat Cold War threats. These companies would work with the government to repress leftist insurgent groups (Security Expert 2014; Security Company Owner [3] 2014). More companies began to emerge in the 1970s offering their protective services to private clients. This emergence aligned with a global trend as private security companies started to appear in many parts of the world during this era. The industry in Mexico was still quite small, however, with just forty private security firms operating in the country in 1970 (Regallado Santillán 2002, 188-189). It continued to grow into the 1980s as multinational private security firms began establishing footholds in Mexico. While some of these firms worked locally, others operated throughout the country providing services to both public institutions and private clients. The true boom in private security began, however, in the 1990s.
and has continued to the present day. In 1999, the growth in private security provision in Mexico peaked with a 40% increase compared to the year before (Muller 2010, 135-136). By 2000, over 1,400 private security companies were registered with federal government and many more operated under the table (187). Mexico’s boom in private security was precipitated by four intertwined developments: 1) Police corruption and ineffectiveness, 2) increased crime levels, 3) neoliberalism, and 4) democratization and liberalization.

_Police Corruption and Ineffectiveness_

Throughout the period of PRI rule (approximately 1929 to 2000), the central state continued to allow local strongmen broad autonomy in terms of their use of public resources, including the police, if they continued to support the party (Muller 2014, 4). Police forces developed immense corrupt networks and generated much of their revenue through the collection of bribes. The height of this corruption was epitomized in the rule of Arturo Durazo who amassed $200 to $600 million through corruption, extortion, and criminal networks during his time as Mexico City’s Police Chief from 1976 to 1982 (Muller 2012, 100-101). The 1983 release of José González González’s lurid book, _Lo Negro del Negro_, exposed Durazo’s extreme corrupt behavior to the public at large. The book was widely read and generated outrage among Mexico’s population. Durazo’s trial and eventual conviction were also widely covered by the press. While already generally aware of the corrupt nature of the police, the Durazo case fully exposed to the public the extent of it. Public opinion of the police, therefore, plummeted even further. Despite attempts to reform the police
since the fall of Durazo, the police are still regularly criticized for corruption, ineffectiveness, and human rights abuses (Sabet 2012, 10). A lack of public faith in public security has helped to bolster the private security industry as individuals and private businesses turn towards private security as a supplement or even replacement for a police force they cannot trust (Davis 2006, 76).

*Crime*

Crime in Mexico slowly declined after the PRI took power, but then increased again as the century came to a close. Homicides peaked between 1936 and 1940 with 38 homicide arrests per 100,000 people, but this number dropped by close to 75 percent over the next thirty years to an average of 10 or fewer per from 1976 to 2000. Incidences of robbery and assault diverged, however, from the decline in homicides starting in the mid-1970s. The number of suspects accused of assault increased by over 25 percent from 31 per 100,000 people in 1980 to 39 in 1990, while arrest rates for robbery increased even more dramatically from 22 per 100,000 in 1976 to 40 in 1986 to 59 in 1996. Additionally, the number of arrests for rape increased by over 50 percent in the 1990s. These spikes in crime are linked to the economic crises Mexico endured in 1976, 1982, and 1994. The aftermath of these crises saw economic slowdowns, runaway inflation, and a devalued peso, which created the conditions for higher inequality and unemployment along with eroded wages, all factors contributing to increases in crime (Donnelly and Shirk 2009). For example, in 1994, for the first time crime became the number one concern for Mexico City residents as incidences of robbery, extortion, and kidnappings continued to rise throughout the
country (Uildriks 2010, 192). Private security companies were able to take advantage of these crime waves as citizens and businesses sought out additional protection.

Neoliberalism

In 1982, facing insurmountable debt, the Mexican government declared bankruptcy and defaulted on its loans. In response to the debt crisis, Mexico’s newly elected President Miguel de la Madrid began implementing structural adjustment policies that promoted foreign investment and business growth, among other things. These policies continued throughout the 1980s and were accelerated in the 1990s under the presidency of Carlos Salinas de Gotari (1988 - 1994). The elimination of trade barriers encouraged foreign companies to move to Mexico. The North American Free Trade Agreement (NAFTA) in 1994, which removed several trade barriers between Mexico, the United States, and Canada, served a particularly big role in facilitating the movement of foreign and multinational private security companies into Mexican territory. These firms “discovered the potential of the local private security market, which offered lucrative profits for comparatively low capital investment” (Muller 2010, 136). Additionally, kidnapping was rampant during this period and executives from these companies became targets for criminals who often worked in cahoots with corrupt Mexican police officials. Being unable to trust local

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12 Far from a uniform process, neoliberalism was implemented at different levels of intensity throughout Mexico, with varying consequences for each locale (Snyder 2001).
law enforcement, businesses began contracting with private security companies to serve as their primary protection.

*Democratization and Liberalization*

Mexico’s authoritarian electoral system began to slowly open in the 1990s and culminated in 2000 with the election of PAN candidate Vicente Fox, the first non-PRI candidate to win the presidency in over seventy years. Democratization broke the PRI’s hegemonic control over the political system and created uncertainty amongst the vast clientelist networks that the PRI had dominated for much of the 20th century. This result had serious consequences in terms of its effect on organized crime in Mexico. During the reign of the PRI, government and police officials informally regulated the drug trade by protecting certain criminal actors in return for bribes, disallowing traffickers from emerging as independent powers, and making sure “levels of criminal violence were to remain within accepted and tightly confined limits” (Serrano 2012, 138). Democratization severed these links between criminal actors and the PRI as new powerholders emerged from other parties. As Serrano explains, “alternation and political circulation fostered distrust within criminal-political networks, tearing apart the foundations of protection agreements” (2012, 142). Democratization combined with the extreme enrichment of traffickers from the cocaine trade, meant the PRI could no longer regulate the drug market nor control levels of drug-related violence. Organized crime groups, therefore, began to compete for drug trafficking routes causing for increased levels of violence.
Democratization also affected the relationship between the police and citizens, which helped to fuel increases in crime. In Mexico City, for example, Cuahtemoc Cárdenas of the leftist PRD party won the mayoralty of Mexico City in 1997. Cárdenas’ election destabilized police-government and citizen-government relations. As Davis (2006), explains, “Without the PRI at the municipal helm and with the party weakened by electoral defeat, neither police nor citizens counted on the same informal patronage and patron-client relations that in past decades had kept crime out of the public eye and the whole system of social and policial order functioning, albeit imperfectly” (65). Soon after taking power, Cárdenas instituted policies to reform the Mexico City police and rid the institution of corruption. Many members of the Mexico City police force still felt loyalty towards the PRI, however, and strongly resisted Cárdenas’ reforms. As Davis (2006) reports, police officers protested Cárdenas’ reform measures by “‘withdrawing’ their services completely in such a way as to abet crime.” The city’s police chief went so far as to publicly proclaim that the Mexico City’s “40,000-member force [was] out of control.” As a result, “crime rates immediately went through the roof, a product perhaps also of police involvement in criminal acts as a form of retribution” (68).

The rise of an independent and free press accompanied democratization. The press was selectively controlled during most of the PRI’s reign in power. As Chappell Lawson (2002, 25) explains, “a wide range of ideological perspectives and a certain amount of criticism ‘within the system’ were tolerated, even encouraged…. But core features of the political system – presidential authority, official corruption,
electoral fraud, etc – remained decidedly off-limits to the press.” The government maintained its control over the news media primarily through corruption, collusion, and co-optation. Openings in media freedom and assertiveness began in the late 1970s and early 1980s and expanded further into the 1990s. In the 1990s, media outlets began to emphasize scandals and sensationalism in their reports. They focused on government corruption, drug trafficking, and police abuses (Lawson 2002). Tabloids also began displaying gruesome images of crime victims on their front pages in order to increase sales. Highlighting these issues and displaying these images to the public likely served to reduce Mexican society’s faith in government and heightened feelings of insecurity, thus further promoting investment in private security.

Post-Authoritarianism

The growing power of drug trafficking groups and the consequences of the drug war imposed by the Mexican federal government have caused crime rates to reach alarming levels and thus facilitated the continued expansion of the private security market. In 2006, Mexican President Felipe Calderón, seeking legitimacy after winning election by a razor thin margin and under pressure from the United States government, confronted the drug traffickers in Mexico head on like no president before him. He used a heavily militarized and coercive approach to eliminate drug cartels, which led to violent reprisals against government officials and between cartel members who found their access to drug routes and territory
threatened. As a result, crime rates have remained high and the private security industry has continued to grow.

States and the federal government have responded to the boom in private security by passing regulations to attempt to reign the industry in. The first federal private security regulations appeared in 1995 within the Ley que Establece las Bases de Coordinación del Sistema Nacional de Seguridad Pública (Law Establishing the National Public Security System’s Bases of Coordination). Some states passed laws either immediately before or soon after the federal government did, while others took a while longer to follow suit. For example, the Mexico City government created a Private Security Services Registration Department in 1994 and Jalisco passed its first private security law in 1998. On the other hand, Monterrey did not pass its first private security law until 2007. State governments have continued to develop laws and regulations for private security provision. Today, all of Mexico’s thirty-two states and the Federal District have some kind of regulation for private security provision. The federal government also updated its private security law in 2006 and 2011. Despite updated regulations and regulation enforcement agents operating at the state and federal level, the private security industry continues to be plagued by informality. Most private security firms (estimates range as high as over 80% of companies) operating in Mexico are either completely unregulated or partially regulated (Perret 2013, 167; El Universal 2014).

Informality in the private security market is the defining situation in Mexico today. Private security provision in Mexico is booming yet efforts by Mexican
governments to rein in the industry and direct it in a manner that benefits the state and society have been stymied. Despite the Mexican state’s formulation of strict regulations and various efforts to promote public-private security collaboration, widespread informality and distant, competitive and uncooperative relationships between private security companies and public security forces has limited the state’s ability to control the industry. By focusing on the state’s attempts to regulate and coordinate with private security as well as its efforts to incorporate private actors into the public security apparatus, the following three chapters will explore in greater detail the state’s largely failed efforts to strengthen the relationship between the private security industry and the Mexican state.
Chapter 2

INCORPORATION

Incorporation is the most direct strategy states can take to confront private security providers. I use the term incorporation to describe actions taken by the state to convert private actors and/or entities into state actors. These actions may consist of presidential decrees, the passing of laws, or more informal measures, such as recruitment, that convert non-state security actors into public ones. Incorporation serves as an example of how states may attempt to develop their state capacity from outside sources instead of building it from the ground up. Through incorporation, states can ostensibly improve their capacity by expanding the size of their public security forces with actors possessing security-related experience while simultaneously eliminating competition for citizens’ loyalty and any threat these actors may have posed to the state’s monopoly on force. Incorporation can also create a “measure of uniformity” in regards to the type and quality of security services offered to the public (Bryett 64).

States can either fully or partially incorporate external forces into their state security apparatus. Fully incorporated hybrid forces are those under total control of the state. Variables that exhibit total control include 1) official recognition as a government entity; 2) the force is subject to the same or similar laws and regulations as all other police officers; 3) resources are controlled by the state, thus budgets are determined by legislatures or other government officials and all profits are directed to
the state treasury; 4) employee uniforms, equipment, and vehicles are provided by the government; 5) employee wages and benefits are provided by the government; 6) hiring, training, and operational standards are designed and imposed by the state; 7) training is undertaken at a police academy. Partially incorporated hybrid forces are those that possess some, but not all of the above requirements.

In different periods in its history, Mexican governments have attempted to incorporate non-state security or violent actors. As mentioned in the previous chapter, in the mid- to late 19th century, Mexican governors and later the president incorporated bandits into rural police forces in an effort to both eliminate the bandits as a security threat and bolster the strength of the police. In the 1930s and 1940s, Mexico City and some Mexican states incorporated private watchmen into their police forces by creating special units that offered services to public and private clients. Incorporating these non-state actors into city and state police forces served as an effort to strengthen the size and quality of the police as well as eliminate competition for the police and a potential threat to the state’s power and legitimacy. Finally, in 2014, the Mexican government attempted to incorporate militias, called “autodefensas”, into municipal police forces or a newly formed “rural defense corps,” similar to the 19th century rurales, that would be controlled by the military. The militias emerged in 2011 to fight against drug trafficking organizations ravaging local communities. These groups disarmed municipal police forces who they viewed as corrupt and took control over towns and cities in the region. In an effort to regain control of the region, subordinate the militias, and regain legitimacy in the area, the
government signed an agreement with militia leaders to register their weapons and join the state security forces (Althaus and Dudley 2014). These three examples provide clear evidence that incorporation has served as a key strategy for the Mexican state to confront potential threats to its power and stability.

Due the focus of this project on private security, this chapter will investigate the attempts in Mexico City, Jalisco, and the State of Mexico to incorporate non-state security actors, specifically night watchmen, into their public security forces. The primary focus will be on the Mexican state’s incorporation of night watchmen into Mexico City’s police force in the mid-1940s and the consequences this action had on state capacity, public – private security relations, and state – society relations. I argue that the piecemeal process of incorporation in Mexico City and the integration of watchmen into a corrupt and abusive police force led to the creation of an underequipped, poorly trained, underpaid, corrupt, and exploited hybrid force that failed to improve the state’s capacity to enforce the rule of law and provide safety to its citizens. Through a slow incorporation process that took decades to complete, the Policía Auxiliar were exposed to the abusive practices of the Mexico City police force while also being held unaccountable to the public and unsupervised by the government. By removing watchmen from the streets through their incorporation, the state temporarily reduced challenges from non-state security providers to the state’s monopoly on the use of force. However, the weakness of the Mexico City police forces and its inability to fill security gaps permitted the emergence of new private security providers to fill the place of the incorporated watchmen. Thus, in the
longer term, incorporation also failed to diminish threats to the state’s monopoly on force and legitimacy.

Prior to incorporation, the quality of the watchmen’s forces were variable, however, they clearly degraded after being converted into the *Policía Auxiliar*. Over time, the *Policía Auxiliar* became, arguably, the most disreputable force in Mexico City’s police department. It became known for corrupt activity and the hiring of uneducated recruits who were then poorly trained, ill-equipped, overworked, and abused. The state has, therefore, had to invest significant time, energy, and resources to improve the quality of the *Policía Auxiliar*, which is still commonly viewed as the least respected force in the city. Ultimately, incorporating non-state security actors into the state failed to build state capacity and improve efforts to impose law and order and increase citizen security in Mexico City.

Second, I focus on the additional cases of the State of Mexico and Jalisco where non-state security actors have only been partially incorporated. In Mexico City, the *Policía Auxiliar* were eventually fully incorporated into the SSPDF after a long process. Auxiliary police forces in the State of Mexico and Jalisco, however, continue to exist in a grey zone between the public and private spheres. Through analyzing these two additional cases, I find that partial incorporation raises additional concerns that are even more problematic than those afflicting the *Policía Auxiliar* in Mexico City. In the State of Mexico, auxiliary forces’ ambiguous status leaves them accountable to no one beyond high level officials in the federal and State of Mexico governments who use them as their private armies. Furthermore, these forces are
provided special privileges by their patrons that allow them to unfairly outcompete private security companies, which has created for serious resentment from representatives from the industry. In Jalisco, auxiliary forces are also under regulated. Private individuals and corporate interests have used this lack of regulation to use wield police forces as their private armies, thus raising serious questions about the role of the state in providing equal protection to all. As a result, full incorporation is more optimal than partial incorporation despite the fact that both approaches are doomed to fail to some degree if a state’s security institutions are weak, ineffective, and corrupt.

I begin the chapter by discussing the emergence of night watchmen in early twentieth century Mexico City, their rivalry with the Mexico City police department, and their eventual incorporation into the state as the Policía Auxiliar. I then describe the development of the Policía Auxiliar and the federal and Mexico City government’s largely failed efforts to improve the force. The second half of the chapter examines the cases the State of Mexico and Jalisco where partial incorporation of non-state security actors has created serious problems related to accountability, co-optation, and unfair competition. I then discuss how the creation of hybrid police forces had the unintended consequence of placing public and private security providers in competition with each other and thus further damaged the relationship between the state and the private security industry.
Incorporation in Mexico City

The Watchmen Emerge

As discussed in the previous chapter, the Policía Auxiliar originated from private groups of watchmen that began to appear in Mexico City in the 1920s. The watchmen bore similarities to contemporary private security guards except watchmen were hired individually or as part of a union or association as opposed to being employees of a company. Due to rising crime rates, citizens began hiring watchmen to guard against car and home thefts (SSPDF). Mexico City’s citizens often turned to these watchmen because they did not trust the city’s highly corrupt and often criminally involved police forces, labeled *maffias* (sic) by the press (*Gráfico* 1938, 12). In an effort to control as opposed to eliminate illegal markets, the new political regime coming out of the revolution forged links between the Mexico City police force and the criminal underworld (Alvarado 2012, 209). The police force also had a paltry budget, which encouraged police officers to collect bribes. As Davis (2012) explains, “By the 1920s, there existed a well-established pecking order of bribery and corruption, ensuring that beat cops on the ground could not acquire or keep their jobs without direct payment to superiors” (2012). For example, the Unión General de Comerciantes en Pequeño del Distrito Federal (Small Business Owners Union) posted a bulletin stating that small business owners were being subjected to shake downs by the police five times a day (*Universal* 1937b). Finally, the city’s police force was small relative to the growing Mexico City population. A local press report called Mexico City, “una de las ciudades peor vigiladas en el mundo” (“one of the
worst guarded cities in the world”) (Universal 1931). Residents complained that certain areas of the city, such as Tacubaya, Lomas de Chapultepec, and Colonia del Valle, had almost no police presence whatsoever in their neighborhoods (Universal 1936; Universal 1937a).

Over the next two decades, the number of watchmen operating in Mexico City exploded as the rapid expansion and growth of the capital created greater security gaps that the police were increasingly unable to fill. The Mexican Revolution ravaged the country’s economy, leaving few job opportunities for Mexico City residents during the 1920s and 1930s. Veterans and others, therefore, flocked to the profession due to the high demand and low training requirements needed to be a watchman. By 1937, there were over 1,400 independent watchmen operating in the city. Many of these watchmen were veterans of the Mexican Revolution who formed unions and associations aligned with communism and the far left (Davis 2010, 146; SSPDF). In 1933, a number of these unions and associations were brought together to form a civil association called the Cuerpo de Vigilantes Auxiliares de la Policía del Distrito Federal. They aligned with Mexico’s labor movement and demanded improved workers’ rights and security from the government. Their alignment with

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organized labor and position as competitors for security provision created for a highly contentious relationship with the Mexico City police (Davis 2012, 147).

Watchmen frequently protested that they were being harassed by police officers. Members of the private police and watchmen’s unions delivered numerous complaints against the police to the president and the press. In these complaints they argued that the police, on behest of Mexico City’s Chief of Police, were unfairly pursuing, arresting, and persecuting watchmen as well as attempting to regulate their activities to a degree that would essentially nullify their existence (AGN, LCR, 417-21; Universal 1937a). Various unions across Mexico rallied in support of the watchmen by sending letters to the nation’s president demanding a stop to the abusive treatment perpetrated by Mexican police officers against night watchmen (AGN, ALR, 334/529).

On the other side, representatives of the Mexico City police department accused watchmen of participating in illegal activities. For example, Mexico City’s Chief of Police, Francisco Martínez Montoya, publicly declared that “numerous” members of the Cuerpos Auxiliares de la Policía engaged in unlawful actions, such as assaulting pedestrians, robbing drunks, and invading homes (El Nacional 1937a, 8). As a solution, he called for a centralization of the Mexico City police force in order to restrict the activities of watchmen and the private police (Nacional 1937b, 8). Calling for centralization displayed the police’s sense that the growing presence of watchmen’s units throughout the city were threatening the city’s public security institutions. The public had mixed views about the watchmen’s units. A 1937
editorial in *Universal* described the night watchmen’s services as “excellent” and praised their efforts to protect areas of the city where there was little police presence (Universal 1937a, 9). Another editorial, however, called the night watchmen’s promises of security “illusory” (Universal 1938).

The relationship between watchmen and the state changed when Lazaro Cárdenas became president in 1934. Cárdenas ruled as a populist who embraced and mobilized Mexico’s labor movement. Cárdenas instituted a corporatist regime that “established a new basis for state-labor relations” in which the state established and collaborated closely with umbrella organizations representing various sectors of the labor market (Collier and Collier 1991, 236). As Demmers (2001) explains, “By incorporating strategic groups into the state apparatus, the regime is able to demobilize, ‘de-radicalize’ and control their demands” (152). The state strove to control and dominate all sectors of society during this period. This approach included a campaign by Cardenas to nationalize major industries in Mexico, such railroads, petroleum, and electricity. Following suit with these policies, Cardenas sought to incorporate watchmen into the state. Moreover, Cardenas’ close association with labor led to a contentious relationship with Mexico City’s police forces who were traditionally used to repress labor and peasants. The watchmen’s proclivity towards communism made them natural allies to Cárdenas’ leftist politics and thus by incorporating them into the police forces he hoped to counterbalance the highly corrupt and conservative leaning preventative police (Davis 2010, 146-147; AGN, LCR, 417-9 PA). Moreover, incorporating watchmen into the state served as an
effort to monopolize the state’s control over the legitimate use of force. Incorporation
could both neutralize the watchmen as a potential threat to the state’s legitimacy as
the appropriate provider of protection within the city and could bolster the size,
strength, and quality of the city’s security forces, thus improving the state’s capacity.
As Davis (2012) explains, “At a minimum, [Cardenas] would offer urban residents a
renovated police force whose members were considered to be responsive to local
communities and relatively unconstrained by existent networks of corruption” (147).
The motives for incorporation were therefore multiple, but the outcome of this effort
was determined by the poor quality of Mexico’s police forces.

**Official Incorporation – But Only Partially**

In 1941, President Manuel Ávila Camacho officially united the watchmen
within a newly created force labeled the *Policía Auxiliar*. According to the
president’s decree, the *Policía Auxiliar* would serve as an auxiliary force to the newly
re-organized Preventative Police of Mexico City in 1941. The force continued to
provide services to private clients, but now served under the authority of Mexico
City’s Chief of Police. In the decree, Camacho also recognized the *Policía Bancaria*,
a separate security force founded by Colonel Arturo Godínez Reyes, in collaboration
with the Association of Mexican Bankers, specifically tasked with protecting
Mexican banks. Although recognized by the government, the banking police would
continue to be funded by their clients (Rasgado 2013).
In 1949, despite protestations, the Policía Auxiliar were placed under the orders of the Mexico City Protection and Transit Directorate where they would remain for the next 30 plus years (Policía Auxiliar 22-23).\textsuperscript{14} Despite their location within the government, the Policía Auxiliar were only partially incorporated into the state and thus still maintained a high level of autonomy. Although the force was assigned a director and grouped together under one title, they continued to operate as separate individual units. The former watchmen’s groups were distributed into “battalions” headed by police or military commanders. Each unit commander was designated a zone of the city in which to operate and made responsible for recruiting, training, and outfitting their agents (Chávez 1995, 39). Additionally, their budgets were controlled by the heads of each unit and self-generated through their earnings from contracts with private clients. Thus there was little oversight or regulation of the force’s activities (Gaspar Torres 2014; Former Policía Auxiliar Administrator 2014).

The partial incorporation of the Policía Auxiliar negatively affected the former watchmen. Commanders of the various Policía Auxiliar units were already enmeshed in the corrupt networks of the Mexico City police department and thus the force was immediately drawn into them. Commanders demanded quotas from the rank-and-file and sent them up the hierarchical chain. Members of the rank-and-file

\textsuperscript{14} The Chief of the Policía Auxiliar, Colonel Leandro Castillo Villegas, sent letters of protest to President Aleman, arguing that the transportation department was not an appropriate location for the PA because the protective services offered by the force clearly made it more suitably located under the leadership of the police. Despite these protestations, the force was still transferred (AGN, MAV, 545.22/498).
had to resort to demanding bribes and engaging in criminal activities to both subsist and provide for their superiors. In 1947, just a few years after their incorporation, members of the PA were already being called thieves (AGN, MAV, 545.22/498). Over time, the Policía Auxiliar became ever more involved in the Mexico City police department’s corruption schemes. As Davis explains, “by the early 1960s, a highly formalized system of kickbacks was in full swing” (2012, 152). Internal documents show that payments of $125,000 pesos were made to the head of the PA each month during this period (2012, 152). By the late 1960s, academics and government officials began to call for a centralization of the police force in an effort to rein in or even eliminate extraneous units who were deemed unnecessary (Ravelo 1968). These units, including the Policía Auxiliar, strongly resisted these demands for centralization, as they “sought to protect their autonomy and independent access to protection rackets” (Davis 2012, 155).

Additionally, during this time and to the dismay of Mexico City officials, private policing outfits began to emerge throughout the city. In 1967, Mexico City’s Attorney General, Gilberto Suárez Torres and the Chief of the Mexico City Police Department, Luis Cueto Ramírez, declared the need to eliminate the “illegal” private policing groups proliferating throughout the nation’s capital. Cueto Ramirez said he would pursue and arrest members of these groups in an “energetic and definite manner” (Excelsior 1967). Clearly, the Policía Auxilar had failed to fill security gaps in the city and their general corrupt nature and incompetence likely contributed to the problem. Thus, the incorporation of watchmen into the state’s security apparatus did
little to eliminate potential threats to the state’s monopoly on the legitimate use of force as new non-state security providers emerged to rival city police.

Throughout the 1970s, the Policía Auxiliar maintained its autonomy and remained deeply involved in corrupt networks while continuing to exploit its officers on the ground. By 1983, the corrupt nature of the Policía Auxiliar was so blatant that during his swearing in ceremony, the newly appointed chief of the force, Enrique Soberanes Gamboa, emphasized honesty as the key term that would guide his time in power (Aguilar 1983). A newspaper article from that period describes the Policía Auxiliar rank-and-file as “humble, defenseless and exploited by their superiors” (Anaya Sarmiento 1984). Officers were provided with only two uniforms per year and then had to purchase new ones if their own became damaged or worn out (Universal 1984b). They also had to pay unaccounted for quotas to their superiors. Furthermore, they were restricted from carrying firearms and therefore defenseless against criminals. Nevertheless, officers were held responsible if the car or house he or she was guarding was damaged or robbed (Anaya Sarmiento 1984). The Policía Auxiliar became so poorly run that it was dubbed “los patitos feos” (the ugly ducklings) of the Mexico City police department (Universal 1984b).

Centralization

In 1984, President Miguel de la Madrid Hurtado passed a sweeping new law restructuring the Mexico City police forces. The re-structuring came in light of a major corruption scandal centered around Arturo Durazo, Mexico City’s police chief.
from 1976 to 1982 (Muller 2012, 100–101). A number of PA commanders were caught up in the scandal, admitting to providing Durazo with significant sums of money during his reign. Beyond Durazo’s corrupt activities, numerous complaints emerged about the unruly nature of the Mexico City police department. Reporters, civil society groups and opposition party members criticized the department for its excessive number of police forces, including the PA, many of which these critics claimed were unnecessary and even unconstitutional (Ramiréz Mendez 1981; *Universal* 1984a; Fuentes 1984; *Universal* 1984).

The 1984 law replaced President Camacho’s decree in 1941 that originally recognized the *Policia Auxiliar* and the *Policía Bancaria e Industrial* (né *Policía Bancaria*). Within de la Madrid’s new law, the *Policia Auxiliar* and *Policía Bancaria e Industrial* were officially integrated into the Mexico City police department in an effort to better regulate, professionalize, and modernize these two forces as well as improve their coordination with the city’s other police forces. The PBI and PA were integrated as members of the newly created *Policía Complementaria* under the direction and leadership of the SSPDF.\(^{15}\) These forces now had to abide by the laws and regulations accorded to the preventative police. All of their income was to be directed to the Mexico City Treasury. Stricter enrollment requirements were implemented that pertained to recruits’ age, height, weight, educational attainment, and psychological profile. Moreover, as complementary police forces, the PBI and

\(^{15}\) Although housed under the title *Policía Complementaria*, the two forces remained separate from each other.
PA were mandated to not only continue their regular practice of providing protective services to public and private clients, but also to assist the preventative police in cases of disasters and massive events, such as protests and demonstrations (Diario Oficial de la Federación 1984). Nevertheless, most of these forces’ earnings, 98% in the case of the PA, were returned to their commanders to be doled out for salaries and equipment, thus the PA and PBI continued to possess high levels of autonomy. The force continued to be plagued by endemic corruption involving networks of PA commanders stealing hundreds of millions of dollars that were supposed to go towards paying the salaries and benefits of the force’s employees (Chavez 1995, 39-40; Monge 1999, 32-33). During the 1980s and 1990s, rank-and-file members of the Policía Auxiliar had multiple letters-to-the-editor published in news publications in which they accused their superiors of corruption and demanded bonuses they had been promised (Proceso 1989; Proceso 1994, 80). These men and women were still being abused by their superiors, working ten hour days or more, and earning salaries just above minimum wage. Additionally, applicants only needed a bare minimum of education to enlist and new recruits received only one week of basic training before being sent on patrol. As a result of all of these issues, the PA suffered a fifty percent annual desertion rate as many PA officers abandoned the police force to join the burgeoning private security market where companies offered higher salaries and better benefits (Hernández E. and Gómez F. 1993).

In 1997, steps were again taken to improve the force when Cuauhtémoc Cárdenas of the recently founded Party of the Democratic Revolution (PRD) was
elected mayor of Mexico City in the city’s first ever democratic election. Cárdenas made “several high-profile efforts to call attention to police corruption,” including the implementation of a change in leadership in the Policía Auxiliar and a public investigation into the disappearance of hundreds of millions of pesos from the force’s coffers (Davis 2006, 67; Rodriguez Castañeda 1999). With revelations of the force’s corrupt practices coming to light, the Policía Auxiliar’s rank and file protested against their commanders for falsely representing their interests and paying them only 67% of their deserved wages (Guizar 2013; Bolaños et al 2000). From 1999 to 2000, members organized and participated in five separate demonstrations of protest throughout the city. Members of the Policía Auxiliar blocked major highways for multiple hours and marched through different points of the city. Close to eight hundred Policía Auxiliar agents participated in one of the marches that demanded the firing of twenty-six commanders (Bolaños et al 2000).

After these protests and investigations the force was finally fully incorporated into the state. First, resources were put under strict control by the Mexico City legislature (Ex-Administrator 2014). Subsequently, the PA and PBI would subsist on a fixed budget annually, created and voted upon by the Mexico City legislature (Espinosa Rascado 2013; Guizar 2013). Additional steps were also taken to improve the quality of personnel and services offered by the PA through stricter enrollment requirements and improved training methods and offerings. In order to join the PA,

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16 Previously, the mayor had been appointed by the nation’s president.
one must possess now Mexican citizenship, be between the ages of eighteen and thirty, possess a junior high school degree, and not have been dishonorably discharged from the police or the military (Policía Bancaria e Industrial [2]). Finally, Atenógenes Gaspar Torres, the PBI’s Executive Director and the Director of Operations, switched over to the PA in 2010 in order to re-shape the PA so that it more closely resembled the PBI, which has a much better reputation than the PA (Gaspar Torres 2014).

Despite full incorporation and the efforts taken to improve the quality of the force, however, the PA continues to have a poor reputation and is generally considered the worst force in Mexico City. The force still lacks public respect, engages in corrupt practices, and the rank-and-file continue to suffer abuses (Guizar 2013; Villanueva 2014). One example of this corruption is the suspicious disappearance of over 31,000 ammunition cartridges from the force’s ammunition depot (Proceso 2014). Furthermore, officers continue to complain that their wages are too low, they are still forced to work excessively long shifts, some that last over twenty-four hours, and they lack the proper equipment to successfully perform their jobs (Villanueva 2014). Throughout the 2000s, numerous members of the Policía Auxiliar submitted written complaints to the President of Mexico regarding corruption, abuse, sexism, ageism, reduced vacation time, and unjust firings as well as demands for re-cooped wages, compensation for unjust firings, and improved pensions (AGN, PCGA). In one particularly colorful letter, two former PA officers lamented how they were treated like “animals or beasts,” forced to work in the rain
Female police officers within the PA have filed numerous sexual harassment complaints against their superiors (Proceso 2003). According to a report in Proceso, four out of ten women on the force received threats or pressure to accede to the sexual demands of their superiors, in exchange for not being dismissed or placed at the disposal of their managers (2003). Some officers threatened hunger strikes and public demonstrations have continued. In 2011, approximately two hundred members of the Policía Auxiliar protested in the streets calling for the dismissal of Group 52 Commander Marcos Martinez Salazer for poorly treating his subordinates and demanding quotas from them (Rivera 2011). In 2012, members of the force organized a demonstration in the streets of Mexico City to protest their lack of medical care (Cruz 2012). Overall, problems continue to plague the Policía Auxiliar as members of the rank and file continue to suffer poor treatment from their superiors. Nevertheless, the force has become a valuable asset for the government in terms of revenue-making.

By directly reaping the profits of their security contracts, the PA has become a big money-making operation for the city. The PA has 28,032 employees making it the largest police force in Mexico City (Guizar 2013). The PA can be contracted out to both public and private entities. There are few restrictions as to who these forces can protect, thus the PA has contracts with private companies, government offices and agencies, and public institutions, such as parks and museums. Fifty percent of the PA’s contracts are with private entities. These units can also be contracted out to
individual neighborhoods and even entire delegations where they assist or perform the duties of the preventative police. Government officials and individual citizens may also hire PA agents to serve as their bodyguards (Guizar 2013). The PA has always been restricted to only providing services within the Federal District and, under special circumstances, in the State of Mexico, which surrounds the capital.\textsuperscript{17} While problems continue to seriously afflict the force, its shape, make-up, and scope of activities are finally under relative control by the state. The same cannot be said, however, for auxiliary forces in other states that have not yet been fully incorporated.

\textbf{Partial Incorporation}

While the PA has been fully incorporated into the Mexico City government, other Mexican states possess auxiliary police forces that are still only partially incorporated into the government. As explained in the introduction to the chapter, partially incorporated police forces are those that are not officially private entities and possess links to the state, but continue to possess high levels of autonomy. This section will analyze the cases of the State of Mexico and Jalisco where auxiliary forces were created but never fully integrated into the state’s public security apparatus. As a result, the accountability of these forces, their funding sources, the quality and extent of their training, and their mandates and responsibilities are often unclear. In the case of the State of Mexico, this situation has created for increased

\textsuperscript{17} Members of the PA were reportedly hired out by the state of Puebla in 2013 to assist the local police force during the busy holiday season (Hernandez 2013). The PA’s Executive Director of Police Operations, however, argues that this was just a publicity stunt and that they were never actually hired out in this instance (Gaspar Torres 2014).
resentment among private security providers who feel that the state’s auxiliary forces have been provided an unfair advantage in gaining access to private security contracts. In the Jaliscan case, the ownership structure of auxiliary police forces has brought into question the expectation for the state to provide equal policing services to all citizens as some of these forces have been found serving corporate interests over those of state residents.

<table>
<thead>
<tr>
<th></th>
<th>Policía Auxiliar del Distrito Federal</th>
<th>Policía Auxiliar de Jalisco</th>
<th>CUSAEM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Officially recognized as a government entity</td>
<td>Yes</td>
<td>Yes</td>
<td>Partially</td>
</tr>
<tr>
<td>Force subject to the same or similar laws and regulations as other police forces</td>
<td>Yes</td>
<td>De jure - Yes De facto - No</td>
<td>No</td>
</tr>
<tr>
<td>Profits destined for state treasury</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Budget determined by government</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Employee uniforms, equipment, and vehicles are provided by the government</td>
<td>Yes</td>
<td>No</td>
<td>Some</td>
</tr>
<tr>
<td>Employee wages and benefits provided by the government</td>
<td>Yes</td>
<td>No</td>
<td>Some</td>
</tr>
</tbody>
</table>
Table 2.1 Measuring Levels of Auxiliary Police Incorporation

<table>
<thead>
<tr>
<th>Hiring, training, operational standards designed by the state</th>
<th>Yes</th>
<th>No</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training provided by the state</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>

The State of Mexico

*Los Cuerpos de Seguridad Auxiliares del Estado de México* (*Cusaem*) are the State of Mexico’s auxiliary police force. Similar to Mexico City’s *Policía Complimentaria*, *Cusaem* is linked to the state security apparatus and provides paid protection to public and private clients. An iteration of the *Cusaem*, labeled the *Guardias de Seguridad Bancaria y Comercial*, was founded in the State of Mexico in 1948 not long after that of the PA and PBI. According to Villamil (2013), various public/private security groups in the State of Mexico were created by local politicians and gifted to generals who were given free rein to run them as they pleased. The *Cusaem* came into being when three forces, *Los Guardias de Seguridad Bancaria y Comercial*, the *Vigilancia Auxiliar y Urbana del Estado de México*, and the *Guardias de Seguridad Industrial, Bancaria y Comercial*, combined. *Cusaem* is still a diffuse organization that houses a number of public/private forces from the State of Mexico, including the *Cuerpo de Vigilancia Auxiliar y Urbana del Estado de México; Cuerpo de Guardias de Seguridad Industrial, Bancaria y Comercial del Valle de Cuautitlán-Texcoco; Jefatura de Policía del Estado de México* and the *Cuerpo de Seguridad Industrial, Bancaria y Comercial del Valle de Toluca* (Rodríguez García 2014, 17).
The organization is administered by 110 commanders who control different groups within the force (Villamil 2013). The total number of agents working for the Cusaem is not clear. According to the agency’s web-site,\(^{18}\) Cusaem has 17,000 agents, but others estimate that there are between 35,000 - 50,000 agents working for the organization.\(^{19}\)

Unlike Mexico City’s PA, however, few reforms have been made to the organization since its founding and the State of Mexico’s Public Security Law makes no mention of the Cusaem. The organization’s public status is unclear and contested leaving it in a grey zone between the public and private spheres. President Peña Nieto and others in his administration along with the Governor of the State of Mexico, Eruviel Ávila Villegas, have insisted that the Cusaem is not a public entity. For example, the State of Mexico’s former auditor declared that the groups housed within the Cusaem “are not institutions that form part of the state’s public administration” (author’s translation from Spanish) (Villamil). Nevertheless, 14,162 Cusaem agents are registered with El Instituto de Seguridad Social del Estado de México y Municipios (the Social Security Institute of the State of Mexico and Municipalities - ISSEMyM) as public employees. Cusaem also has clear links with the Secretaría de Seguridad Ciudadana (SSC) of the State of Mexico, which serves as the state’s police department. Cusaem agents’ uniforms are also emblazoned with the SSC logo and their weapons license was acquired by the Agencia de Seguridad

\(^{18}\) Which has since been deleted.

Estatal (ASE), the institution in charge of state security before it was replaced by the SSC in 2011.

Since Enrique Peña Nieto took over as the President of Mexico in 2012, the Cusaem’s presence and visibility in Mexico City has significantly increased. Villamil (2011) calls Cusaem a “mini-army of Peña Nieto” that earned over $2 billion pesos in only Peña Nieto’s first two years in office, a figure more than seven times what they earned during the final two years of the presidency of Peña Nieto’s predecessor, Felipe Calderon (Rodriguez Garcia 2015, 13). These increased earnings are related to the force’s acquisition of a number of contracts with a wide variety of federal institutions, including La Cineteca Nacional, El Fondo de Cultura Económica, La Comisión Federal de Electricidad, La Comisión Nacional del Agua, El Instituto Nacional de Investigaciones Nucleares, the Comisión Nacional Bancaria y de Valores, Banobras, El Comisión Nacional para la Defensa de los Usuarios de Instituciones Financieras, La Secretaría de Gobernación and the Secretaría de Desarrollo Social, among others (Economista 2015). In total, Cusaem has contracts with fifty dependencies of the federal government. The organization also has contracts with a variety of private businesses throughout the capital. One can also spot Cusaem agents throughout the center of the city as well as wielding large guns inside malls and shopping centers. Despite questions of legality, the force is also known to operate in Coahuila, Durango, Sinaloa, Puebla, Tabasco, Campeche, and Veracruz (Rodríguez Garcia 2015, 13).
The *Cusaem* also has a reputation for engaging in corrupt and criminal activity. A number of its agents have been found consorting with drug trafficking organizations. The group has been accused by some as serving as a “recruitment center” for the Zetas organized crime organization. In February 2009, for example, nine detained hitmen working for the Zetas were carrying credentials signed by *Cusaem*’s exdirector, Ciro Mendoza Becerril and *Cusaem* property weapons. Group 41 of the *Cusaem* even signed a contract with Maximiliano Peralta Sáenz, an alias for drug cartel leader J.J., to serve as his personal bodyguard. In another sensational story, *Cusaem* agents were accused of murdering a well-known Mexican architect in the State of Mexico (Rodríguez García 2015, 13; Villamil; Journalist 2014).

The *Cusaem* is subject to little to no oversight from the Estado de México’s legislature, much less Mexico City officials or non-governmental watchdog organizations. Members of the State of Mexico’s legislature have denounced *Cusaem*, some have called for its dissolution, and repeated efforts to impose at least a modicum of regulation on the force have mostly failed (Fernández 2013; Miranda 2011). Local PAN deputy Carlos Madrazo Limón has argued that the *Cusaem* is so unregulated that it should be considered an organized criminal outfit (Villamil). Feelings about the *Cusaem* in the State of Mexico are split between the executive and the Congress as well as among party lines. Support for reforming the *Cusaem* is strongest among members of the minority PAN party while the majority party, the PRI, opposes any changes to the force’s current grey status. The *Cusaem*’s power has grown since Peña Nieto became president and further efforts to reform the force
during his time in power seem even less likely. Congress thus has little to no control over the force. The organization’s ambiguous public/private status and high level of opacity make oversight very difficult since it is unclear to whom the organization is accountable. Its web-site no longer exists and simple information about the organization, such as training requirements for potential applicants can be hard to come across. The Cusaem’s requirements are not public, but employees reportedly receive approximately fifteen hours of training in total. Investigations have also found that a number of Cusaem agents are admitted into the force without ever taking the required control de confianza (confidence control) exams, including medical and psychological exams, drug tests and lie detector tests, among others (Villamil 2013).

Due to their grey status between public and private, the Cusaem is not subject to taxation yet their finances are not disclosed to the public. Only Cusaem commanders and upper level officials in the State of Mexico government know what is done with the organization’s earnings. Cusaem has been called a “gold mine” for Peña Nieto and high level State of Mexico politicians who allegedly use earnings from the Cusaem to enrich themselves, fund their campaigns, and spy on and smear their competitors (Villamil 2013; Tortorelo 2012).

Unlike Mexico City’s complimentary police forces, which charge a higher rate for their services than the average private security company, the Cusaem is able to offer much more affordable rates, thus putting them in direct competition with a number of private security companies. Because of its ambiguous status between the public and private spheres, Cusaem avoids the responsibility required of public
institutions, such as providing social security benefits and pensions to its employees while simultaneously being exempt from the responsibilities of regulated private security companies, which includes paying taxes and registration fees. By not having to pay these significant financial costs, Cusaem is able to undercut the market and charge lower fees for its services to clients with the added bonus of offering armed protection, which most private security companies cannot do. This competition has created resentment among representatives of the private security industry.

A major complaint at meetings between Mexico City’s private security office and private security firms had to do with the unfair advantages held by the Cusaem when competing for security contracts. Representatives of the industry also question the legality of their presence in Mexico City (Charansonnet 2014). Francisco Hoyos, the Communications Director for the Centro de Seguridad Ciudadana described his organization’s distrust and wariness of the Cusaem. He argued that the force should not be allowed to operate in Mexico City and yet they do so anyways. According to Hoyos, “there is going to be a crisis or a problem that is going to explode” if the Cusaem is not reformed and their increasing presence in Mexico City does not abate (2014).

Ultimately, the partial incorporation of the Cusaem has created for more problems than those plaguing the Policía Auxiliar and its relationship with the private security industry. Through partial incorporation, the Cusaem has become a shadowy entity only serving the interests of specific high level officials in the federal and State
of Mexico governments. As opposed to the Cusaem example, in which the force serves specific government interests, the Jaliscan case provides a different scenario in which these forces are used as private armies for individual and corporate interests.

Jalisco

The origins of Jalisco’s Policía Auxiliar are similar to those from Mexico City. Beginning in the 1920s, groups of watchmen formed to provide guard services to businesses in the commercial center of Guadalajara, the capital of Jalisco and the state’s largest city (Government Representative 2014). Although the particular date of their founding is not clear, references to the Policía Auxiliar go back to the 1940s (Historia de la Seguridad Pública en Jalisco, 1983). Elements of Mexico City’s Policía Auxiliar were copied to create the Jaliscan version. This process, however, was done informally with no decree, agreement, or document laying out the specifics of the PA in Jalisco. Former directors of public security, retired military officers, and government functionaries started their own groups of Policías Auxiliares. Outgoing governors also bequeathed Policía Auxiliar groups to loyal supporters (Government Advisor 2014).

Unlike Mexico City’s Policía Complementaria, the Jaliscan Policía Auxiliar were never fully integrated into the state government nor officially regulated. There is little public information about the Policía Auxiliar. Like Cusaem, these groups exist in a gray zone between formality and informality. According to an official in the Dirección de Policía Auxiliar y Seguridad Privada housed within Jalisco’s
Attorney General’s office, politicians are afraid to legislate on these groups because it’s such a sensitive issue, so they keep pushing it off the agenda (Government Official 2014). Nevertheless, employees are considered public servants offering public security services, thus they can be called upon by the Attorney General to assist the preventative police (Government Representative 2014). For example, members of the Policía Auxiliar are commonly used to help the police during the Christmas holiday season when numerous large public events are planned (Security Company Manager [2] 2014). They are considered to have the same rights as the preventative police and therefore are able to detain suspects. Policía Auxiliar groups possess weapons licenses and wear uniforms that are commonly mistaken for those of the preventative police.

Due to the lack of regulation, Jalisco’s Policía Auxiliar have more autonomy than Mexico City’s Policía Complementaria and they tend to operate much like a private security outfit. Many Policía Auxiliar groups are owned by businessmen who also own private security companies. Mexico City’s PA and PBI are completely under the purview of the Secretaría de Seguridad Pública del Distrito Federal and receive temporary contracts with public and private clients. They both have proper headquarters in which all of their agents are stationed. In contrast, Jalisco’s Policía Auxiliar are accorded an interesting dual status in which they are beholden to the laws and orders of the Attorney General, but also divided into groups that are owned by private individuals. The groups are therefore separate from each other and headquartered wherever their private owners decide. Members of the Policía Auxiliar
receive training from the government and then may receive additional training by the owner of their group (Security Company Manager [2] 2014).

I interviewed a former manager at one of the largest private security companies in Jalisco whose owner is also in possession of a *Policía Auxiliar* group. Although the manager described the *Policía Auxiliar* group as a completely separate and distinct entity from the private security company, there were obvious links between the two. Both patrol cars with the *Policía Auxiliar* logo emblazoned on them and guards wearing *Policía Auxiliar* uniforms were stationed at the headquarters of this private security firm. Moreover, the manager explained how they instituted an incentive structure at the firm so guards could move up from being private security guards to *Policía Auxiliar* agents. He noted that most of the agents of their *Policía Auxiliar* group started as employees of the private security firm (Security Company Manager [2] 2014).

Owners of *Policía Auxiliar* group owners have been accused of using them as their own personal armies. For example, Joaquin Maria Andres Villalobos is the owner of SEPROMEX, the largest private security firm in Jalisco, and *Inmobiliaria Rodenas*, a real estate company. He also owns *Policía Auxiliar* group 32. In 2010, there was a major land dispute at the Tenacatita beach area on the Pacific coast of Jalisco, in which Villalobos’ company, *Inmobiliaria Rodenas*, claimed ownership over a strip of land it purchased despite claims from local residents and laborers that the land was part of a local farm cooperative dating back to the 1970s. In August
2010, after winning approval from a district judge, Villalobos evicted and dislodged locals from their beachside homes and businesses with SEPROMEX private security guards and state police officers. Villalobos’ company then placed wire fencing around the land, blocked off access to the only road leading to the public beach, and, most importantly, placed approximately one hundred members of Policía Auxiliar group 32 at the site to protect it from disgruntled locals. In October 2010, three hundred people marching against the blockade met with resistance from the Policía Auxiliar. Officers used their batons to beat the demonstrators and pepper sprayed the crowd. Over forty people were left with injuries (Forbes 2010; Osorio Mendez 2010). Jalisco’s Secretary of Public Security, Luis Carlos Nájera, admitted that the Policía Auxiliar used excessive force during this event, but took no further action to discipline the group nor Villalobos (Informador 2010). Villalobos’ use of his own Policía Auxiliar group to repress demonstrators and protect his own interests has been criticized and can be seen as an example of business owners taking advantage of state resources for inappropriate means.

The leadership of the Policía Auxiliar have also been linked to organized crime. In 2010, a document signed by members of the Jaliscan police force claimed that the director of the Policía Auxiliar, Hernán Guízar, received monthly payments in dollars from drug traffickers operating in Jalisco (CCSPJP 2015). In 2015, a representative for a group of disgruntled Jaliscan police officers again accused the directors and sub-directors of the Policía Auxiliar of having connections to criminal organizations even claiming it was a pre-requisite for the jobs (Proceso 2015).
Despite the *Policía Auxiliar*’s ambiguous status and the advantages accorded to them by the government, private security firms do not seem concerned by their presence in the security market and do not consider them an unfair competitive rival. I suggest a few reasons for this view. First, private individuals have the opportunity to create their own *Policía Auxiliar* groups with the assistance of the government. Business owners are therefore not cut out of the market and are able to use the advantages the government offers to these groups, as opposed to the *Cusaem*, which is controlled by government officials and military commanders with little oversight as to why or who gets the right to control them. As mentioned earlier, some of the *Policía Auxiliar* groups are owned by private security companies and thus they essentially operate as another branch of these companies. Second, the *Policía Auxiliar* is quite a small force with far fewer employees than the *Cusaem* and Mexico City’s *Policía Complementaria*. While the *Cusaem* has between 17,000-35,000 agents and Mexico City’s *Policía Complementaria* total 45,000 agents, Jalisco’s *Policía Auxiliar* is only made up of approximately 1,200 security guards divided up among fifteen groups (Government Representative 2014). 1,200 agents is a paltry figure compared to the number of potential clients in need of private security in Jalisco, especially considering Guadalajara is the second most populated city in the country. Finally, private security providers in Jalisco can legally compete for security contracts with government institutions as opposed to in Mexico City where only auxiliary police forces are able to obtain these contracts.²⁰ Private security

²⁰ Due to their autonomous status, public universities in Mexico City are an exception to this rule.
companies, therefore, have the opportunity to compete with the *Policía Auxiliar* on a number of additional contracts that would not be available to them if they operated in Mexico City. Guarding public institutions is a large and lucrative market and with only 1,200 *Policía Auxiliar* agents operating in the city, private security providers have plenty of opportunities to receive their own contracts, thus signaling a more positive relationship between the government and private security companies. Obtaining contracts with public institutions is one of the incentives for private security companies to register themselves with the government and abide by regulations (Security Company Owner [2] 2014).

**Conclusion**

Overall, both fully and partially incorporating non-state security actors into public security forces proved unable to improve the state’s capacity nor eliminate threats to the state’s monopoly over the use of force. In the Mexico City case, watchmen were incorporated into a corrupt and abusive police force through the creation of the *Policía Auxiliar*. Thus, members of the newly created *Policía Auxiliar* were exploited, poorly trained, recruited with low standards and thus the force became weak and ineffective. As a result, the creation of the *Policía Auxiliar* did little to improve the Mexico City police department’s quality of security provision services and thus the state’s capacity was not bolstered. Moreover, the incorporation of watchmen did little in the long run to eliminate competing security providers with
the potential to challenge the state’s monopoly on legitimate force. Private policing outfits emerged again soon after the incorporation of the *Policía Auxiliar*.

In the cases of partial incorporation, former watchmen’s groups were never fully regulated once integrated into the state and therefore exist in shadowy grey zones that allow them to be used as private armies for government officials, private individuals and corporations. The use of these forces as private armies arguably serve as a greater threat to the state’s monopoly on the legitimate use of force than the roving watchmen of the past who guarded people’s homes, cars, and neighborhoods for a fee. Moreover, the lack of regulation for these forces blurs the line between public and private security provision in a manner that is detrimental to the legitimacy of the state’s security apparatus.

These incorporation efforts exhibit a larger pattern in Mexican history of attempting to improve state capacity from outside sources instead of building it from within. Whether dealing with bandits, private watchmen, or militia members, Mexican governments have used incorporation as a tool to both strengthen their own security forces and neutralize potential threats to the state’s monopoly on force and competitors for the state’s legitimacy. Without possessing strong, clean, well-operating state security institutions during the process of incorporation, these efforts are bound to fail and further exacerbate problems within those institutions.
Chapter 3

REGULATION

Almost every country in the world has developed private security regulations and Mexico is no exception (Button 2012, 204). Mexico’s federal government, the Federal District, and every Mexican state has created some form of regulation to control the activities of the private security industry. These regulations vary by state to state, but in general, they tend to be comprehensive, highly detailed, and relatively stringent. Regulatory efforts have backfired, however, due to a combination of high registration fees and barriers to entry, poor enforcement of private security laws, and corruption. Thus, evasion of regulations is widespread and the market for security has become dominated by unregulated private security companies. Therefore, despite the state’s intentions, it has very little control over the operations of private security companies and thus its own weakness has been reinforced.

This chapter will examine the Mexican government’s attempts to regulate the private security industry by first exploring competing theories on regulations and delving into the motivations behind regulation for both the government and the private security industry. Second, a model for private security regulations assessment will be presented and applied to regulations in Mexico to assess their quality and scope. Third, I describe how and why these regulatory efforts have failed to successfully rein in the industry and ultimately reinforced the weakness of Mexico’s state institutions.
Theories of Regulation

One of the primary debates within the regulations literature contemplates the motivations for implementing regulations and their consequences.\textsuperscript{21} Those involved in these debates tend to split into two diametrically opposed camps: public interest theorists and public choice theorists.\textsuperscript{22} Public interest theory was originated by English economist Arthur Cecil Pigou (1938). According to this theory, regulations are imposed by able and benevolent governments to serve the public interest by remedying market failures, particularly monopolistic behavior and negative externalities. Pigou explains that “In any industry, where there is reason to believe that free play of self-interest will cause an amount of resources to be invested different from an amount that is required in the best interest of the national dividend, there is a \textit{prima facie} case for public intervention” (331). Government regulations are assumed to be costless and, therefore, the most logical and effective mechanism for creating a more equitable and efficient market. Examples of poor regulatory performance are written off as cases of bad management that can be remedied with more experience (Shleifer 2005, 440; Stigler 1970, 3-4; Posner 1974, 336-337).

\textsuperscript{21} The two primary forms of regulation are (1) voluntary regulation and (2) statutory regulation. Voluntary regulation refers to “industries that are self regulating, often through codes of practice established by industry or trade associations” (Hyde 2003, 17). On the other hand, statutory regulation “is a form of public law that primarily exists to protect the collectivist goals of society (17). Statutory regulations are expected to serve the public interest by remedying market failures, particularly monopolistic behavior and negative externalities (Pigou 1938, 331). Statutory regulation is a primary tool used by states to control the behavior of individuals, groups, and industries. I focus on statutory regulation as opposed to voluntary regulation since the emphasis of this study is on state responses to private security industry.

\textsuperscript{22} The public choice theory is also known as the Chicago theory.
Public choice theory, on the other hand, “sees the government as less benign and regulation as socially inefficient” (Djankov et al 2002, 2). As opposed to the public interest theory, which sees regulations as benefitting the public at large, the public choice theory views regulations as solely benefitting the interests of specific groups (Hantke-Domas 2003, 165). The first variant of the public choice theory is Stigler’s “capture theory.” In “The Theory of Economic Regulation,” economist George Stigler (1970) uses a rational actor model to challenge the public interest theory by looking at who controls the regulatory process. Stigler uses the notion of “capture” to argue that economic entities manipulate the political system in order to obtain regulations designed for their own benefit and often to the detriment of the public interest. Most commonly, regulations are used to benefit businesses by restricting competitors’ access to entry into their industries. Posner (1974) further elucidates this argument by “viewing regulation as a product allocated in accordance with basic principles of supply and demand,” which causes us to “expect a product to be supplied to those who value it most” (344). Industries have lower collective actions costs because they tend to have homogenized interests and a greater stake in the regulatory process than a diffuse public with varying interests, less access to information, and a lower overt stake in the issue. Industries are therefore better equipped to influence political representatives to pass legislation that is favorable to their interests.

The second variant of the public choice theory is the tollbooth approach, which “holds that regulation is pursued for the benefit of politicians and bureaucrats”
(Djankov et al 2002, 3). According to this view, politicians and bureaucrats develop regulations and enforce them in a manner that allows them to wield power over those seeking access to the industry being regulated. As a result, those in power may use the regulations to profit off the industry by denying others access to the industry in question and demanding bribes to allow that access. Ultimately, according to this view “more extensive regulation should be associated with socially inferior outcomes, particularly corruption” (3).

Scholars writing about private security tend to align with the public interest theory by arguing that imposing and enforcing regulations is the most effective tool for controlling burgeoning private security industries within a state’s borders and promoting “optimal security”23. As Button (2012) explains, “to optimize security, a major provider of it, the private security industry, needs to be subject to additional and specialist regulation to maximize its performance” (204). Imposing registration fees and strict regulations are generally seen as important measures for reigning in the private security industry (Button 2007; Dammert 2008; Ungar 2007/2008; Abrahamsen and Williams 2011). Hiring standards are also of high importance. As Button and George (2006) point out, “because of the position of trust security employees are placed in, they should be required to be of a certain character. People with certain criminal records or known links with criminal organizations are therefore argued not to deserve the right to work in the private security industry” (564).

23 Button (2012) defines this term “as maximizing objective and subjective feelings of safety from risks emanating from crimes and related behaviors and reducing the experience of those risks to an absolute minimum” (204-205).
Regulations are also key for addressing accountability issues. Public security forces are accountable to citizens and the government whereas private security providers respond to the needs and interests of their clients, which may conflict with the needs and interests of the public and the state. As Burt et al (2007) argue “In short, regulation can be interpreted as the usually formal mechanisms of control which are established in order to guide conduct and to ensure the universal application of the law. In general, we maintain that greater regulation can lead to enhanced accountability” (5).

According to White’s (2010) “political economy of private security” model, both government officials and private security company owners seek out increased regulations for the industry although for different reasons. As White explains, government officials strive to impose regulations in order to “control private security companies by actively bringing their operations in line with the public good” (13). State actors tend to perceive the rise of the private security industry as a threat to the state’s monopoly on force and therefore feel compelled to “intervene in the security sector marketplace so as to maintain the impression that it continues to exercise a kind of monopoly over security provision” (13-14). Imposing regulations has come to be seen by lawmakers as “the ideal mechanism through which the state can exercise control over the activities of private security companies” and, therefore, are heavily promoted (14). Evidence of this mindset in Mexico is prevalent. The primary reason expounded by Mexican federal and state officials for creating and
enhancing regulations has been the desire to register and impose a level of control over the large number of private security firms operating throughout the country.

Private security companies, or at least, larger more ambitious ones also support increased regulations although their concern has little to do with maintaining the state’s monopoly on force. According to White, the private security industry seeks “normative legitimacy,” which is described as “beliefs current in a given society about what is the rightful source of authority” (16). Private security firms must constantly contend with the dominant societal belief that states should be the central, if not sole, providers of security. As a result, “private security provision has come to be regarded as normatively illegitimate, since its existence has the effect of eroding this state-fostered sense of security and safety” (16). Promoting statutory regulations has become the primary response by private security industry leaders to eliminating their illegitimacy problem. In White’s study of private security in Britain, he argues that “state-directed regulatory mechanisms allow private security executives to communicate to the average British citizen that their companies are not purebred market actors functioning in accordance with the logic of profit margins and private goods, but are rather state-deputised actors operating in line with the population’s state-centric expectations about how security ought to be delivered” (16-17).

The legitimacy predicament is particularly acute in Mexico where private security guards are regularly derided by members of the public and the media for their lack of professionalism and training, shabby uniforms, and low wages. They have
also been linked to corrupt activity and organized crime. A Mexico City-based security consultant explained how people view private security as a “dirty industry” and described how he avoids telling people he works in private security so as to avoid being shunned by them (Security Consultant [1] 2014). Leaders in Mexico’s private security sector have, therefore, promoted robust regulations to garner legitimacy and improve the image of the industry.

Interestingly, although working together to develop regulations, the state and private security industry work at cross purposes. The state seeks to regulate the industry in order to maintain its monopoly, or at least symbolic, monopoly over security provision while private security providers seek regulation in order to enhance their legitimacy and ultimately undermine the state’s monopoly over security provision. Nevertheless, the combined efforts of government officials and private security industry leaders to craft and promulgate wide-ranging, stringent regulatory measures for security provision have both failed to improve the government’s capacity to control the industry and the industry’s goal to enhance its legitimacy. Looking at the Mexican case through the public choice theory, however provides guidance for understanding this failure. Stringent Mexican regulations and the high costs to abide by them has allowed politicians and bureaucrats in the federal and state governments to utilize the tollbooth approach by rewarding associates with expedited private security licenses, reduced costs, and limited supervision while simultaneously creating high barriers for non-connected firms by demanding expensive fees, bribes, and/or delaying the registration process. In an environment of widespread informality
and corruption, Mexican private security owners have been disincentivized to properly register their firms and abide by state and federal regulations.

Glaeser and Shleifer’s (2003) approach to regulatory regimes in areas lacking strong institutions and law and order further guides our understanding for the failures witnessed in Mexico. Serving as a bridge between the public interest and public choice theories, Glaeser and Shleifer look at history to understand why states decide to use regulations instead of litigation to control market activity. The authors focus on the Progressive Era in the United States when regulation supplanted litigation as the dominant mechanism to enforce social control over business activity. They argue that “the crucial difference between liability and regulation as alternative systems of controlling market behavior is their vulnerability to subversion by the potential violator” (4). Subversion is more likely under liability regimes because the payments are generally much larger than those under a regulatory regime. Those with the economic and political resources may subvert the litigation process through bribes and/or intimidation. Using their findings from Progressive Era America, the authors create a model in which the strength of law and order within a society determines the optimal law enforcement strategy for a government to implement. According to the authors, countries with weak law and order institutions should make few attempts to create laws or regulate economic activity because administrators will be too easily subverted. As the authors explain,

when the administrative capacity of the government is severely limited, and both its judges and regulators are vulnerable to intimidation and corruption, it might be better to accept the existing
market failures and externalities to deal with them through either the administrative or the judicial process. For if a county (sic) does attempt to correct market failures, justice will be subverted, and resources will be wasted without successfully controlling market failures. (31)

Djankov et al.’s eighty-five country study on entry regulations\(^{24}\) furthers Glaeser and Shleifer’s argument by showing how countries with more regulations are generally more corrupt and possess much larger informal economies. According to the authors’ findings, strict and copious entry regulations in these situations rarely succeed at fulfilling the positive social outcomes they are intended to achieve (2002). Glaeser and Shliefer explain, “countries with more regulations of entry exhibit higher corruption and larger unofficial economies, but not superior social outcomes that regulation allegedly aims for” (2003, 420). As this chapter will demonstrate, the Mexico case falls in line with these findings as stiff private security regulations have encouraged informality and corruption while failing to improve the quality of the industry. The following section will provide a model for assessing private security regulations, which will then be applied to regulations in Mexico in order to examine in further detail their scope, depth, quality, and stringency.

**Classifying Regulatory Systems**

Button and George (1997) developed a valuable rubric for analyzing the quality and depth of statutory private security regulations, which I will apply to the

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\(^{24}\) Entry regulations refers to legal requirements imposed upon businesses attempting to enter an industry.
Mexican case. The authors analyze regulations along two spectrums – “width and depth”. Width of regulations is defined as “the extent to which the different sectors of the private security industry are regulated” (2006, 567). The field of private security is quite broad and includes a wide variety of sectors and services, such as static guarding, bodyguards, armored car operators, private investigation, consulting, security equipment installation, cyber security, canine security, and more. According to Button and George’s model, a narrow regulatory model would only cover one or two sectors, most commonly manned security services and private investigators. A wide regulatory model would include at least two more sectors of the industry, such as security consultants and installers of security equipment (2006, 567).

<table>
<thead>
<tr>
<th>Narrow</th>
<th>Wide</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope of Coverage</td>
<td>Manned Security Services, Private Investigators</td>
</tr>
</tbody>
</table>

Table 3.1 Width of Regulations (Adapted from George and Button 1997, 191-192)

Depth of regulations are defined as “the number and type of regulations to be met by private security firms and employees” (2006, 567). Governing bodies may impose “minimal” to “comprehensive” requirements for firms and individuals seeking to obtain and retain a private security operator’s license. George and

25 The most basic and essential form of regulation involves licensing firms to legally operate as private security providers (Prenzler and Sarre 2008, 272). States that do not provide private security licenses are labeled “non-interventionist” by Button and George (2006, 571). In Mexico, all states provide some form of licensing, so the label does not apply to any the cases under examination here.
Button distinguish between two main types of private security regulations: 1) those “that seek to address character of employees, owners, etc” and 2) those “that seek to enhance the quality of security provision through minimum standards of training and operation” (2006, 568). A comprehensive regulatory system must cover both types of regulations and apply to both private security firms and employees. The chart below shows the type of requirements necessary to be considered a comprehensive regulatory system:

<table>
<thead>
<tr>
<th>Comprehensive Regulatory System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrance Requirements for Firms to Enter Industry</td>
</tr>
<tr>
<td>a) Payment of Fee for Licence</td>
</tr>
<tr>
<td>b) Restrictions on Background of Owner/Qualifying Agent</td>
</tr>
<tr>
<td>c) Minimum Experience/Qualifications of Owner/Qualifying Agent</td>
</tr>
<tr>
<td>d) Minimum Training for Owner/Qualifying Agent</td>
</tr>
<tr>
<td>e) Passing of Examination of Owner/Qualifying Agent</td>
</tr>
<tr>
<td>Entrance Requirements for Individuals to Work in Industry</td>
</tr>
<tr>
<td>a) Payment of Fee for License/Registration</td>
</tr>
<tr>
<td>b) Restrictions on Background of Employees</td>
</tr>
<tr>
<td>c) Minimum Training for Employees</td>
</tr>
<tr>
<td>d) Passing of Examination by Employees</td>
</tr>
<tr>
<td>e) Requirement or Refresher/Specialist Training</td>
</tr>
<tr>
<td>Minimum Standards of Operation</td>
</tr>
<tr>
<td>a) Bonding/Insurance</td>
</tr>
<tr>
<td>b) Facilities/Equipment</td>
</tr>
<tr>
<td>c) Other Standards</td>
</tr>
</tbody>
</table>

Table 3.2 Depth of Regulations (Adapted from George and Button 1997, 193)

Combining their models, the authors devise five types of regulatory regimes: 1) Non-Interventionist, 2) Minimum Narrow, 3) Minimum Wide, 4) Comprehensive Narrow, and 5) Comprehensive Wide.
<table>
<thead>
<tr>
<th>Model</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Interventionist</td>
<td>There is no statutory licensing system for the private security industry (although there might be some special regulatory measures)</td>
</tr>
<tr>
<td>Minimum Narrow</td>
<td>Minimal regulations apply such as character requirements and they only extend to the manned guarding and/or private investigator sectors</td>
</tr>
<tr>
<td>Minimum Wide</td>
<td>Regulation applies to the wider private security industry but only with minimum requirements</td>
</tr>
<tr>
<td>Comprehensive Narrow</td>
<td>There are regulations that seek to raise the quality of the industry such as training standards to employees and for firms, but they only apply to the manned guarding and/or private investigators.</td>
</tr>
<tr>
<td>Comprehensive Wide</td>
<td>There are quality enhancing regulations that are applied to employees and firms across the wider private security industry.</td>
</tr>
</tbody>
</table>

Table 3.3 Five Models of Regulation (Adapted from George and Button 2006, 571)

The final element to differentiating regulatory systems is consideration of the agency responsible for regulation and enforcement. George and Button present two categories for responsibility. 1) Monopoly systems where the entire private security industry is regulated by one body. 2) Divided systems where multiple agencies are responsible for regulation. These systems can be divided along functional or territorial lines. In divided functional systems, “different organizations take on responsibility for regulating different parts of the private security industry.” In divided territorial systems, “responsibility is shared for the same sectors but certain
responsibilities are devolved to another body in a defined geographical location” (2008, 571).

<table>
<thead>
<tr>
<th>Model</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monopoly</td>
<td>Entire industry regulated by one body</td>
</tr>
<tr>
<td>Divided</td>
<td>Functional: multiple agencies regulate different parts of the industry</td>
</tr>
<tr>
<td></td>
<td>Territorial: multiple agencies regulate industry based on geographical location</td>
</tr>
</tbody>
</table>

Table 3.4 Responsibility for Regulation (Adapted from George and Button 2006, 571)

Overall, Mexico’s federal government and the locations with the largest groupings of private security companies - Mexico City, Jalisco, and Nuevo León – rank quite favorably per Button and George’s model. The following section will analyze these entities’ regulations with greater detail paying special attention to how they fit within Button and George’s model.

**Private Security Regulations in Mexico**

In 1948, the Mexican federal government passed its first private security law, the *Reglamento para los Investigadores, Detectives y Policías Privados o pertenecientes a Organismos de Servicio Público Descentralizado o Concesionado* (Regulations for Investigators, Detectives and Private Police or those Belonging to Decentralized or Concessioned Public Service Agencies). The regulations primarily applied to private detectives and private policing units tasked with guarding public institutions. The regulation stipulated that companies and individuals working in this field had to receive authorization from the state government where they were active.
Firms were to provide employees with credentials, keep a registry of personnel and activities, and have photos and fingerprints taken of all their employees. Every month, companies were required to show these registries and any changes made to them to the sub-Attorney General of the state for revision. Firms were forbidden from using the national shield or colors on their credentials or business cards.

Furthermore, any public employee, particularly police officers and members of the military, were prohibited from working for the private police. The regulations made no mention of training, equipment, or facilities. Interestingly, banks and financial institutions, and insurance companies were not required to register security forces that they created for themselves (*Diario de la Federación* 1948). Overall, the regulations were relatively rudimentary and would rank as minimal and narrow per Button and George’s standards.

In 1985, President Miguel de la Madrid repealed the *Reglamento para los Investigadores, Detectives y Policías Privados o pertenecientes a Organismos de Servicio Público Descentralizado o Concesionado*. During the mid-1980s, de la Madrid made strident efforts to re-organize and improve the Mexico City and federal police forces after major police corruption scandals rocked the nation. One major complaint in regards to the police had to do with the large number of semi-public, semi-private forces operating throughout the country and, particularly, in Mexico City. These forces were regularly accused of arbitrarily arresting citizens and stripping them of their valuables. Journalists and legal scholars argued that these police units violated Article 21 of the Mexican Constitution (*Universal* 1984;
Universal 1984a). Article 21 states that public policing is the exclusive right of the Mexican state and, therefore, cannot be delegated or concessioned to private individuals. President de la Madrid complied by decreeing that the Reglamento para los Investigadores, Detectives y Policías Privados o Pertenecientes a Organismos de Servicio Público Descentralizado o Concesionado law was unconstitutional (Diario Oficial de la Federación 1985). While the law served to disband these various public/private security outfits, it did not ban private policing outright. Private security companies were only barred from performing the functions of the judicial and preventative police and using the term policía in their documentation, identification, or company name. Firms abiding by these rules were permitted to continue operating (Diario Oficial de la Federación 1985). A new federal private security law was not created to replace the abrogated 1948 law until 2006 although the Secretary of the Interior created a private security registry in 1991 (Xtrem Secure 2015).

The Federal District and Mexican states began formulating their own private security regulations in the 1990s. As Clarke explains, “Regulation involves the constitution of a form of authority, whether internal or external, to achieve ordering in an area of life that has come to attention as showing tendencies to disorder, perversity or excess” (2000, 2). In the Mexican case, the massive growth of the private security industry in the 1990s brought to governments’ attention the need to hone in on the industry and observe and control its excesses as there was widespread variation in the quality of the firms operating throughout the country. Eventually, every state, the
federal government, and the Federal District developed some type of laws to regulate the private security industry.

The federal government’s private security regulations and regulations in the areas with the highest number of private security companies – Mexico City, Jalisco, and Nuevo León tend to be quite comprehensive and wide in scope and score relatively well according to Button and George’s model aside from a few categories.

Scope of Coverage

Mexican regulations tend to have a wide scope that covers many different private security sectors. The federal government and Nuevo León’s regulations, for example, cover seven private security sectors. The federal government’s law covers: 1) Protection of individuals; 2) Protection of goods; 3) Protection of goods and valuables during transport; 4) Alarm services and electronic monitoring; 5) Information security 6) Prevention and responsibilities systems; 7) Other activities connected to private security, such as the sale and installation of armored cars and other specialized equipment (Diario Oficial de la Federación 2011). Nuevo León’s private security law regulates: 1) Protection of individuals; 2) Protection of goods and property; 3) Protection of the transfer of goods and securities; 4) Information security; 5) Private investigation; 6) Armored vehicles and equipment services and 7) Alarm systems services (Periódico Oficial del Estado de Nuevo León 2017). Mexico City’s regulations cover five broad sectors: 1) Safety and personal protection relating to the custody, safeguarding and defense of life and the bodily integrity of persons; 2)
Surveillance and the protection of immovable property 3) Custody, transfer and surveillance of goods and securities; 4) Locating and gathering information on people and goods 5) Activities inherent in private security, such as the design, manufacture, repair, maintenance, installation and commercialization of equipment, devices, systems, or specialized technical procedures related to security (*La Gaceta Oficial del Distrito Federal* 2014). By casting a large net of coverage, these regulations ensure that all, or at least close to all, forms of private security provision can be accounted for, monitored, and directed by the state. Only Jalisco has a narrower set of coverage that solely addresses manned security services, protection of goods transfer, and custody and surveillance of goods and thus does not account for activities, such as private investigation and the manufacture, sale, and installation of private security equipment (Jalisco State Government 2004).

**Entrance Requirements for Firms**

Mexican private security regulations tend to follow some of the entrance requirements for firms, but not all of them. In all cases, payment of a fee for a license is required.

<table>
<thead>
<tr>
<th>Private Security Licensing Fees (Mexican pesos)</th>
<th>Federal</th>
<th>Mexico City</th>
<th>Jalisco</th>
<th>Nuevo Leon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private security permit (fee varies depending on service)</td>
<td>$14,955 – $16,141 (~$815 - $880 USD)</td>
<td>$11,069 – $14,563 (~$600 - $800 USD)</td>
<td>$18,500 (flat rate)</td>
<td>$15,448 – $16,328 (~ $865 - $915 USD)</td>
</tr>
<tr>
<td>Service Description</td>
<td>Fee 1 (Mexican pesos)</td>
<td>Fee 2 (USD)</td>
<td>Fee 3 (USD)</td>
<td></td>
</tr>
<tr>
<td>----------------------------------------------------------------------------------</td>
<td>-----------------------</td>
<td>-------------</td>
<td>-------------</td>
<td></td>
</tr>
<tr>
<td>Authorization for individuals and companies to realize private security activities</td>
<td>$4,843 (~$265 USD)</td>
<td>$4,370     (~$240 USD)</td>
<td>$6,030 ($340 USD) $4,962 per year for revalidation ($280 USD)</td>
<td></td>
</tr>
<tr>
<td>Issuance of documents and information from the private security registry</td>
<td>$266 (~$15 USD)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Certification of documents</td>
<td>$18 (~$1 USD)</td>
<td>$9 (per page) (~$0.50 USD)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel registration</td>
<td>$162 (~$9 USD)</td>
<td>$173 (per person) (~$10 USD)</td>
<td>$160 ($9 USD)</td>
<td></td>
</tr>
<tr>
<td>Canine registration</td>
<td>$107 per canine (~$6 USD)</td>
<td></td>
<td>$80 per canine (~$4 USD)</td>
<td></td>
</tr>
<tr>
<td>Vehicle and radio communication registration</td>
<td>$49 (~$3 USD)</td>
<td>$268 per item (~$15 USD)</td>
<td>$80 per vehicle (~$4 USD)</td>
<td></td>
</tr>
<tr>
<td>Equipment registration</td>
<td>$49 (~$3 USD)</td>
<td>$10 per item (~$0.50 USD)</td>
<td>$80 per bulletproof vest (~$4 USD)</td>
<td></td>
</tr>
<tr>
<td>Firearms registration</td>
<td>$49 (~$3 USD)</td>
<td>$268 per firearm (~$15 USD)</td>
<td>$80 per firearm (~$4 USD)</td>
<td></td>
</tr>
</tbody>
</table>


26 This does not include a firearms license which must solicited from the Secretaría de la Defensa Nacional (SEDENA).
As will be described in greater detail later in the chapter, these fees can add up and become quite expensive, thus serving as a disincentive for private security firms to register with the government.

Minimum experience and restrictions on the background of the owner or qualifying agent are required in some regulations, but they tend to be vague and/or somewhat minimal. Most of the regulations simply demand that firm owners or qualifying agents must possess Mexican citizenship and provide evidence of possessing the human, technical, financial and material means to provide private security services (Diario Oficial de la Federación 2011; Jalisco State Government 2014; La Gaceta Oficial del Distrito Federal del Distrito Federal 2014; Periódico Oficial del Estado de Nuevo León 2017). Only the federal regulations require owners/qualifying agents to possess minimal training and none of the regulations mention the need for owners/qualifying agents to pass an examination (Diario Oficial de la Federación 2011).

Entrance Requirements for Individuals

Individual entrance requirements are much more comprehensive than those for firm owners. Payment of a fee to work in the private security industry is not mentioned in any regulations, however, hiring requirements are included in all of them. All of the regulations require background checks to confirm that potential hires do not possess a criminal record or are current members of the armed forces or the police. Moreover, anyone dishonorably discharged from the armed services or a
public security force is prohibited from working for a private security company. Mexico City and Jalisco require applicants to pass a medical and drug tests before being hired (Jalisco State Government 2014; Gaceta Oficial del Distrito Federal 2014). Mexico City also mandates psychological and lie detector tests before hiring (Gaceta Oficial del Distrito Federal 2014). In Nuevo León, medical, psychological, and toxicology exams are not mandated during the hiring process, but all operative personnel are required to take these tests annually once they have been employed by a firm (Periódico Oficial del Estado de Nuevo León 2017).

All the regulations require training personnel in some form. Regulations either lay out a specific training regimen that all companies must enact for their personnel or they require company employees to receive training at the state police academy. For example, Mexico City’s training guidelines are quite rigorous. Requirements include teaching the definition of private security as well as the rights, obligations, limits, and expected norms of private security employees. Employees are also required to be trained in self-defense, first aid, the proper use of physical force, knowledge about how to properly collaborate and assist the authorities, and other procedures and actions related to security provision. Employees are also mandated to take evaluation exams after completing each training session (Gaceta Oficial del Distrito Federal 2016). Overall, private security guards are expected to receive approximately 80 hours of training immediately after enrollment and periodic training throughout their careers with a company as well as annual accreditation (Arámbula 2014; Gaceta Oficial del Distrito Federal 2016). In Nuevo León and Jalisco, private security
employees are instructed at the state’s police academy thus ensuring that all personnel are subjected to the training regimen desired by the state (Ibarra 2014; Jalisco State Government 2014).

Minimum Standards of Operation

No mention is made regarding insurance or bonding, however, Mexican regulations do address facilities and tend to be quite strict in regards to equipment. Annual inspections of facilities and equipment are performed to ensure everything has been registered and is in proper condition. All the regulations specify that uniforms must consist of colors, logos, and emblems that are distinctly different from those used by the police and armed forces. Vehicles must also look different from those used by Mexican public security forces. Some regulations are much more specific and detailed. In Mexico City, for example, vehicles must clearly display their denomination, logo, ID number, permit and authorization number, and the words seguridad privada. Moreover, the letters and numbers on the vehicle must be at least fifteen centimeters high and seven centimeters wide (Gaceta Oficial del Distrito Federal 2014). Vehicles cannot possess characteristics similar to those used by public security forces nor can they be equipped with sirens. Metal badges are prohibited. Stripes on shirtsleeves and along the sides of pants must contrast in color from the rest of the uniform (Gaceta Oficial del Distrito Federal 2014; Gaceta Oficial del Distrito Federal 2016). In Jalisco, private security personnel must wear a white shirt with their company’s logo located on their left sleeve five centimeters below the seam on the left shoulder of the uniform. “Seguridad Privada” must be
written along the left chest area of the uniform. Pants must be black with a five-centimeter-wide white stripe on each side. Head and footwear must be black and coats must be the color gray. Hats also must have “Servicio de Seguridad Privada” written across their front. The words policía, agentes, and investigadores are prohibited from being written anywhere on the uniform. Vehicles must be white and state “seguridad privada” below the company’s logo on the side of each back door (Jalisco State Government 2014).

Overall, despite some variation the regulations formulated by the Mexican federal government and the states with the largest density of private security providers tend to be quite robust and relatively complex. Besides Jalisco, they all regulate a wide number of private security sectors. They all require fees for a private security license, copious amounts of documentation for registration, and strict uniform, vehicle, and equipment requirements. Their hiring requirements vary somewhat but, overall, they all exact standards for new hires and administer several tests that must be passed either before hiring or to continue employment at a firm. Training standards also vary, but they all provide detailed training requirements or force companies to send their employees to police academies where they are guaranteed to receive the training expected by the state. In comparison, these cases tend to have regulations that are wider and more comprehensives than those in several countries and a majority of U.S. states (Button 2012; Button 2007; Button and George 2006; De Waard 1999). Nevertheless, the consequence of imposing tight regulations has had the opposite of their intended effect. Instead of promoting increased state
control over the private security industry, private security providers have distanced themselves from the state by avoiding registration and regulatory measures. As the Director General of Mexico’s federal private security office explains in regards to private security laws, “it’s easier not to comply than to comply” (Arámbula 2014). Consequently, informality in the industry is widespread as will be described in the following section.

**Widespread Informality**

Private security firms operating on the margins of the law by failing to register or only partially registering are colloquially known as “*patitos*”. *Patitos* tend to be small, local firms that appear for a few months with one name, disappear for a bit, and then re-emerge with a new name. The highly variable quality of private security firms served as a major impetus to develop private security laws. *Patitos* quickly emerged after these laws were put into place, which spurred reforms to create more stringent regulations to eliminate these unregulated and underregulated firms. Nevertheless, I argue that the imposition of even stricter regulations, along with weak enforcement and corruption, have further fueled the spread of *patitos* throughout Mexico.

**High Costs of Obeying Regulations**

As mentioned earlier, private security firms must register in each state where they are active as well as with the federal government if they operate in more than one state. Some municipal governments also mandate that companies register with
them. Paying registration fees with the federal government, every state, and some of the municipalities where they are active can be exceedingly costly for companies and serve as a major deterrent to registration. Due to these costs, many companies will register after they have existed for a few years and earned enough income to afford to pay registration fees and compete with other registered companies (Security Company Manager [1] 2014). Moreover, most companies that do register tend to only do so with individual states and not with the federal government, either because they only operate in one state or because they want to avoid the registration fees and additional paperwork and regulations involved with registering with the federal government. Only 20% of registered companies are regulated by the federal government (Desfassiaux 2011, 88). As one security consultant explained, “it’s an expensive proposition for them [private security firms] and if they can get away without it then they do it” (Security Consultant [1] 2013).

Hiring and maintaining personnel can also be very costly and time consuming for private security companies. For example, the Director General of the federal government’s private security office explained that a company that has 1,000 employees must submit approximately 1,500,000 pages of training reports to the government (Arámbula 2014). Requesting background checks and administering each test – medical, psychological, toxicological – can be quite expensive. It can cost between $5,000 to $10,000 pesos for each employee or potential employee to receive the full battery of tests. Companies are held responsible for bearing the costs of administering these tests to each recruit and employee (Retired Government
The field of private security has extremely high employee turnover rates and firms often provide employees with short-term contracts that may last only a few weeks or month. Consequently, companies are even more reluctant to spend hiring and training costs on them (Perret 168, 2013). Some companies will attempt to reduce costs by withholding information during the registration process. One tactic companies will use is to only register some of their personnel. For example, if a company has one hundred employees they may only report that they have fifty. In this case, the company will only pay the hiring and registration fees of half of their personnel thus avoiding major monetary costs. Avoiding detection of this discrepancy is not difficult because verifiers are mostly interested in looking at paperwork and documentation instead of observing actual operations (Retired Government Functionary 2014).

Providing proper training is also expensive for companies, especially small ones, so it is often bypassed or highly curtailed. In many cases, guards receive a basic one to two-hour lesson, if that, and are then sent into the field (Bagur 2014; Security Consultant [2] 2014). Additionally, unregulated private security companies often hire former military and police officers in order to avoid paying training expenses since they already received training while in the military or police. Many of these ex-military and ex-police officers were dishonorably discharged for corruption or incompetence and thus seek out jobs in the private security sector (Security Company Manager [1] 2014; Alvarado 2012).
Acquiring a weapons license can also be costly and difficult and thus dissuades companies from legally obtaining them. Companies must apply to the Secretaria de la Defensa Nacional (SEDENA) for a firearms license. All weapons and bullets must be purchased from SEDENA as well. In general, receiving approval for a license involves a lot of paperwork, time, and money (Security Company Owner [3] 2014). The cost for a weapons license for private security companies is $34,094 pesos (~$1,840 USD), which is more than double the cost of a license to operate a private security firm in most states. Once granted, a weapons license must be revalidated annually for the same cost as the initial registration fee listed (SEDENA 2017). Moreover, claims have been made that it is nearly impossible for a company to obtain a weapons license if its owner does not have political connections (Security Consultant [2] 2014). Another private security representative explained that members of militias, ex-police officers, ex-military officers, ex-commanders, and, ex-politicians are granted weapons licenses with ease, but that it is extremely difficult for everybody else (Security Manager [4] 2014). The difficulty in obtaining a license is evident in the fact that there exists a thriving black market in which individuals with contacts within SEDENA acquire and then sell off their weapons licenses. One of these individuals is quoted as saying “It’s easier to win the lottery than obtain a license” (translated from Spanish) (Gutierrez 2013). Private security companies are also required to rent or construct a shooting range and receive weapons training certification from all of their employees, both costly endeavors (Security Company Manager [1] 2013). Ultimately, as one security owner explains, due to the
complexity of the law it is just easier not to register with the government (Security Company Owner [1] 2014).

Private security companies have responded by lobbying the federal government to pass a standardized national security law that would simplify the registration process by eliminating state laws thereby creating less confusion. Private security companies would only be required to follow one standard law as opposed to a different one in each state where they operate. Registration costs could also be standardized. Private security providers openly complain about the costs involved in registering along with the copious amounts of paperwork involved in the process.\(^{27}\)

Overall, the hope is that creating the standardized law would facilitate an easier registration process and encourage companies to register who avoided doing so beforehand because of confusion and/or time and monetary costs. Despite these efforts, however, the bill has not progressed through the Mexican Senate. Passing a national law would eliminate individual states’ access to registration fees and reduce their power over local private security providers, thus it has languished in the Mexican legislature for years.

**Weak Enforcement**

The high costs related to strict regulations serve to disincentivize security providers from registering and abiding by the law. Compounding this issue is the

\(^{27}\) This was very evident at a meeting I attended between a variety of private security representatives and the SSPDF’s Dirección de Seguridad Privada.
state’s inability to effectively enforce private security regulations. As Perret (2013) explains, “Although Mexican laws such as the Federal Law on Private Security contemplate and seek to address several of the challenges posed by the privatization of security in Mexico, such regulations are only adequate on paper. In real life, implementation of the laws falls short, resulting in deficient regulation of private security” (169). The most basic evidence for poor enforcement is the widespread numbers of unregistered and underregulated firms operating throughout the country. Private security representatives, government officials, journalists, academics, and members of civil society all tend to agree that widespread informality in the private security sector is one of the most serious, if not the most serious problem affecting the industry.

Due to a lack of solid documentation, the number of unregistered private security firms in Mexico fluctuates widely. A reported forty to sixty percent of private security companies in Mexico are unregulated (Damién 2017; Frutos 2014 2013). Some estimates even go as high as eighty or ninety percent (Universal 2014; Domínguez 2013). A study by the Consejo Nacional de Seguridad Privada (National Council of Private Security) found that only 659 out of the 8,500 private security companies in Mexico were registered with the government (Milenio 2013). In Jalisco, an estimated sixty percent of firms are unregulated while approximately twenty-five to thirty percent28 of the companies in Nuevo León are not authorized

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28 One estimate places the unregistered rate in Nuevo León as high as eighty percent (Informador 2010).
The specific percentage of unregistered companies in Mexico City has not been reported, however, complaints of widespread informality in the capital are common. The government’s inability to identify, sanction and compel this large swath of unregulated firms to register and obey the law serves as clear evidence of the state’s failure to enforce its private security regulations. An owner in Guadalajara explained how he chose not to register his company for years. He only selected to abide by the state’s regulations and register his company once he decided to bid for contracts protecting government institutions, which mandated that companies be registered (Security Company Owner [2] 2014).

Weak enforcement is linked to a lack of political will and pressure to designate more energy and resources to strengthening government oversight of private security companies (Muller 2010, 142). Mexico City, Jalisco, and Nuevo León all face shortages in personnel that make authorizing and inspecting all the companies in their domains quite difficult, if not impossible. Therefore, companies that are regulated often lack supervision and can easily subvert the law. In many cases, site visits to company headquarters are rare (Security Company Manager 2014). In Mexico City, the Dirección de Seguridad Privada has only four official verifiers authorized to verify private security companies’ registration and oversee their operations to make sure they are complying with regulations (Secretaría de la Seguridad Pública del Distrito Federal; Rojas Mendoza 2014).²⁹ Having so few

²⁹ The Director General of Mexico City’s Private Security Officer, Raúl Rojas Mendoza, explained that there are ten to twelve more employees who also have authorization to perform the tasks of a verifier.
verifiers makes the oversight process very difficult considering the hundreds of private security companies operating and attempting to register in the capital. The *Director General de Seguridad Privada y Procedimientos Sistemáticos de Operación del Distrito Federal*, Raúl Rojas Mendoza argues that the office needs more verifiers to successfully perform the tasks demanded of the Dirección (2014). Oversight that does occur over registered companies is, therefore, quite minimal. It generally amounts to the Dirección making sure a company’s registration papers are all accounted for and then checking in once a year to demand its annual fees. Even Rojas Mendoza admits that, despite their efforts, his office is unable to inspect every company operating in the city each year (2014).

In Jalisco, the *Consejo Estatal de Seguridad Pública* sets a goal to inspect only twenty five percent of registered companies in Jalisco per year (State Employee 2014). According to a staffer at the *Consejo’s Area de Seguridad Privada*, the twenty-five percent goal was made due to a lack of manpower to inspect every company in the state. Only four employees work in the *Area de Seguridad Privada* and three of them are qualified to do inspections. The staffer noted that it is quite difficult to create new openings in the area and therefore doubts any new verifiers will be hired soon (State Employee 2014). Inspecting a maximum of twenty five percent of companies per year is clearly unacceptable and, therefore, exhibits the *Consejo’s* clear inability to properly enforce the state’s private security regulations.

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even though it’s not their job title. Nevertheless, he argued that those numbers were still too small to effectively cover the task of inspecting all the companies operating in the Federal District (2014).
In Nuevo León, an administrator at the Dirección de Control y Supervisión a Empresas y Servicios de Seguridad Privada described how the office only has two verifiers along with a legal representative who is also sent out to do inspections since they are so understaffed. She explained that the office needs at least five verifiers to effectively perform all the necessary inspections in the state (Ibarra 2014).

Public office holders have received minimal public pressure to reign in the private security industry thus limiting their incentives to expend more resources on private regulations enforcement. Major efforts have been taken by civil society to critique, protest, and improve Mexico’s public security forces, but little public attention has been directed at the private security industry in Mexico despite its many problems. Major Mexican news publications tend to file two to three stories per year lamenting the high levels of informality in the industry, but they do not seem to have much effect amongst the public. Citizens have not taken to the streets demanding improvements in the private security industry, yet large demonstrations have taken place throughout the country over the past three decades to protest crime increases and the failures of Mexico’s police forces and criminal justice system.³₀ Civil society organizations and research think tanks have formed out of these protests with the primary goal of understanding how to improve the criminal justice system in Mexico.

and reduce incidences of crime and violence. Yet none of these groups pay much, if any, attention to private security.

For example, *Mexico Unido Contra la Delincuencia* (Mexico United Against Delinquency), was founded in 1998 after its founder Josefina Ricaño Bandala organized a major demonstration against insecurity in Mexico City. The non-profit organization takes a multi-faceted approach to reducing crime and violence in Mexico and aiding victims. MUCD has created programs to connect citizens with police officers, developed courses to be taught to students, families, and police cadets about “la cultura de legalidad” (legal culture), set up victims’ hotlines, developed a system for citizens to monitor the justice system, advocated for an end to the war on drugs and the legalization of certain banned substances, and more. Despite this wide-ranging approach to confronting Mexico’s security dilemma, MUCD has done nothing related to private security despite its clear relation to crime, violence, and law and order. A representative from the organization told me that besides being invited to a few meetings with private security associations, MUCD has no connections with the private security industry. Although he said they recognize that there are problems with the private security industry, particularly the high number of irregular firms, the organization has not produced any reports nor developed a platform regarding its stance towards the industry (Tapia 2013). People have not taken to the streets to protest the wide prevalence of *patitos* and lax private security enforcement. This lack

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31 Examples of these organizations and think tanks include, *Mexicanos Contra la Delincuencia* (MUCD), *Causa en Común, el Movimiento por la Paz con Justicia y Dignidad, el Instituto para la Seguridad y Democracia* (INSYDE), and *el Instituto Ciudadano de Estudios sobre la Inseguridad.*
of pressure translates to a lack of incentive for office holders to take additional actions regarding the industry. As Muller (2010) points out, “due to the lack of both public and academic debates on private security, the topic of private security does not rank high on the security agenda of local politicians, as engaging in issues of private policing offers little political gains” (142).

Beyond the lack of public pressure, politicians may resist strict regulations enforcement due to political calculations. The private security sector is a major employer in Mexico with low entry barriers. Jobs in the security field, such as guard services, require little to no experience nor education. It is, therefore, common for private security owners to establish their firms in lower income neighborhoods for recruitment purposes (Security Company Owner [1] 2014). Consequently, it is in the interest of politicians to ensure their constituents continue to have access to these employment opportunities. For example, Muller (2016) describes the predicament of a local politician in Mexico City who, in principle, believes in stringent private security relations, but opposes its enforcement because many of her poorer constituents rely on the private security sector as a source of employment. Stricter enforcement of private security regulations would disqualify a number of her constituents from working in the sector, which could lead to negative electoral repercussions (135).

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32 Additionally, the lack of societal interest in the issue has translated into little civil society oversight over state – private security relationships, which could have helped to call out and reduce widespread corruption in the industry that will be described later in the chapter. For more on the benefits of civil society monitoring, see Fox and Halloran 2016; and Fox and Aceron 2016.
Corruption

Upper and lower level government corruption plagues state–private security relations in the realm of regulations. Through the creation of strict and costly regulations, politicians, government officials, and bureaucrats working in private security regulations enforcement offices have enhanced opportunities to use their authority as gatekeepers to provide preferential treatment and unequal benefits to associates while extracting bribes and complicating the registration process for others. We, thus, witness the “tollbooth” variant of the capture theory in action. As Davis (2003) explains, “formal laws do little to regulate private police in a country where regulators – i.e. the public police – themselves are corrupt. If the keepers are themselves transgressors, what value is the law, even with a formal democracy on the books?” Corruption in the registration, inspection, and enforcement process has further limited the power and effectiveness of private security regulations to allow the state to control and direct the industry in a manner beneficial to state capacity as it creates inequality in the registration process, further discourages companies from abiding by regulations, and creates resentment from firm owners.

At the upper levels of the state and federal government, there is something of a revolving door between public security departments and the private security industry. It has almost become a rite of passage for those who retire from the armed forces and public security apparatus to move into the field of private security. A retired captain who later founded his own security company described a common joke between retired military officers in which they say “Now that you’ve retired, what
company are you going to run?” (Retired Private Security Owner 2014). Private
security enforcement agencies are also populated with former members of the police
and the military, thus further facilitating collusive relationships. For example, Raúl
Rojas Mendoza was appointed Mexico City’s Director of the Dirección de Seguridad
Privada Director General de Seguridad Privada y Procedimientos Sistemáticos only
after serving a long career in Mexico’s Armed Forces (Rojas Mendoza 2014).
Former State Department, intelligence, military, and public security officials use their
government connections to establish security companies more easily, obtain weapons
licenses, avoid or receive rubber-stamped private security registration, and acquire
public and private contracts.33

For example, Eider Martín Silva Arboleda established a private security
company while working as a functionary at the Secretaría de Seguridad Pública de
Jalisco under Attorney General Luis Carlo Nájera. After Arboleda left the
department, Nájera granted his company a contract worth close to $15 million pesos
(~$863,000 USD) to provide specialized training to Jalisco’s preventative police
(Plascencia 2014). In another case, soon after leaving his post as Secretario de
Seguridad Pública (Mexico’s top police chief), Genaro García Luna established

33 The relationship with the government can also go in the opposite direction. Private security company
owners have used their clout and connections to gain public office and manipulate government policy
for their own benefit. In 2010, for example, Servando Sepúlveda was appointed Guadalajara’s Director
de Seguridad Pública by the city’s mayor, Jorge Aristóteles Sandoval. Sepúlveda was the owner of
Centurión Alta Seguridad Privada, one of the largest private security providers in Guadalajara. Once
in office, Sepúlveda immediately went to work proposing and advocating for policy changes to benefit
the private security industry, such as mandating all banks to hire the services of private security
companies (Reza 2010; Informador 2011).
himself within a private security company whose owner he had connections with while in public office. García Luna also brought into the company people with whom he had worked while in the secretariat. They included former members of the U.S.’ Federal Bureau of Investigations, Drug Enforcement Agency, Central Intelligence Agency, and the Colombian National Police force (Ramírez 2014). Additionally, private security company owners denounced, Francisco Cienfuegos, a Nuevo León deputy and spokesmen for Governor Rodrigo Medina de la Cruz, for using his influence to benefit, Protege, a private security company he owned with his sister. Cienfuegos was accused of using his authority to delay other companies from receiving their private security licenses so that he could garner more security contracts for his own company (Frutos 2014).

The cases described above provide clear evidence of the ways in relationships between government officials and private actors involved with the security sector lead to acts of collusion. Public officials are violating the rules and norms of their office in order to either reward themselves, their former colleagues, or their friends by providing them with security contracts or weapons and private security licenses. Consequently, these collusive relationships have created resentment in the industry. Private security providers have complained that those with special connections to the government are given an unfair competitive advantage (Frutos 2014; Security Company Manager 2, 2014). Their interests are harmed because other actors are receiving benefits to which they are not legitimately entitled (Philp 2008, 310). As a result, further distrust of the government is sowed within the private security industry.
and incentives to engage in the registration process are reduced. Additionally, executives from smaller firms that lack connections to the government complain that they have been barred access to security permits and, therefore, feel like they have no other choice but to operate as patitos (Frutos 2014).

Moreover, former military, police, and intelligence officers have founded and registered private security companies to conduct illegal activities and benefit criminal organizations. These companies have been used to recruit and train assassins for drug cartels, sell and transport weapons, launder money, and engage in espionage against politicians, businessmen and other individuals (Gómez 2010). For example, Raúl Villa’s private security company, RAV Corporacion de Alta Seguridad Nacional, was hired by the National Attorney General’s office (Procuraduría General de la Nacion - PGR) to protect installations in the State of Mexico, Nuevo León, and Jalisco. Villa was a former police officer and leader of a group of assassins serving the Beltran Leyva cartel. Villa was later arrested for personally executing twenty-four men outside Mexico City (Gómez 2008). In another example, former military officers Arturo González Rodríguez and Mateo Juárez Espinoza used their co-owned private security company to train bodyguards for narcos, sell weapons to drug cartels, and recruit ex-soldiers to work for criminal organizations. Both of these companies were officially registered with the federal government (Gómez 2010).

Strict and costly regulations, unequal treatment towards private security providers, and lax enforcement encourages informality in an environment in Mexico where informality is already the norm. David Bailey (2014) defines informality as
“unreported, off-book economic exchanges” (34). Approximately 60 percent of Mexican workers operate in the informal economy (Hughes 2013). According to Bailey, a high prevalence of informality promotes a culture of illegality and reinforces “expectations for extral-legal exchanges throughout society” (2014, 32).” Engaging in extra-legal practices is common in Mexico. Transparency International’s most recent Global Corruption Monitor report found that fifty-one percent of Mexicans admitted to paying bribes. This percentage is the highest in all of Latin America (Pring 2017). Bribery is, therefore, commonly expected and accepted in the registration process. Verifiers regularly demand bribes from company owners during inspection visits, which smaller firms may try to avoid by entering the informal market instead. Security firm owners will also take the initiative by offering bribes to verifiers in order to receive rubber stamped registration or inspection certification (Muller 2010, 141; Arámbula 2013). Thus, the presence of corrupt verifiers indicates that simply increasing the number of personnel in enforcement bureaus may not improve government oversight. As Peacock explains (1984), “A considerable element of bargaining must characterize the enforcement of regulations. It is therefore not obvious that appointing more regulatory officials and giving them more investigatory powers will be an effective way of forcing firms to incur additional costs thought necessary to produce the required level of ‘outputs’” (28).

Weak enforcement and corruption facilitate avoiding regulations, which can benefit companies by allowing them to undercut the market in an environment where informal exchanges are more readily acceptable. Companies that are unregistered can
charge much lower prices for their services because they do not pay taxes and registration fees and avoid laws regulating training requirements, uniforms, hiring standards, and wages. They often pay lower wages than what the law mandates and provide their employees with shoddy uniforms and equipment. As a result, registered private security companies charge clients an average of $13,000 to $14,000 pesos (~$700 - $740 USD) per month whereas unregistered companies may charge as little as $6,000 pesos (~$325 USD) per month (Pallares Gómez 2014).

*Patitos* have a particular advantage in the market because consumers of security are often looking to pay as little as possible for it. According to Goold et. al (2010), purchasing security is different from consuming traditional goods. It is seen as an obligation and not a pleasurable act that may accompany the consumption of other goods and services.

Shopping for objects to make oneself, or one’s property, secure is an activity that is rarely embarked upon proactively, or with anticipatory pleasure, or with any sense that there are desirable goods to be had. Much more, it is forced on individuals by circumstances—by an overwhelming sense of fear, by actual victimization, by police recommendation or by the incentives or stipulations of insurance companies. (11)

Security purchases are therefore viewed as a “grudge spending - a place to invest as little of one’s time, resources and self as one possibly can” (2010, 11). As a result, security spending is seen as more of “an irritant, a hassle, even as a de facto form of taxation” (2010, 11). Therefore, the goal often becomes to find the cheapest
option and move on (Button 2012, 206). This viewpoint can be applied to individuals as well as businesses and organizations purchasing security. As Gould, et al explain, businesses tend to place security concerns low among organizational priorities and in the organizational hierarchy and take price-sensitive, quality-insensitive purchasing decisions. In short, cost rules: so long as the security purchased does the job of ‘distancing the bad guys from your key assets’ (Security consultant), or a buyer can tick the ‘I’ve managed that risk box’ (Security company manager), there seems little point in paying for products the selling point of which is quality. (12)

Obviously, not all firms and individuals hold this viewpoint, particularly those who have suffered security breaches in the past, possess highly valuable goods or high levels of political or social power. These individuals and organizations have a variety of high quality security options to choose from within and beyond the Mexican market. Nevertheless, many others will simply seek out the cheapest option available, which will most likely end up being an unregulated firm.

Individuals within and/or knowledgeable about the security industry described this same mentality for security consumers in Mexico.34 Numerous security consultants and managers noted that those purchasing security in Mexico are rarely willing to pay high prices for high quality security. A security company owner explained that the difficult element to selling security services is convincing businesses that security should be seen as an investment and not an expense. This

34 Some went as far as arguing that Mexicans’ unwillingness to pay for high quality services is an ingrained part of their culture, however, Goold et al exhibit how this tendency goes far beyond Mexico (2010).
mentality would help to curb the desire to purchase the cheapest security possible and thus limit the appeal of *patitos*. One former manager at a large security firm in Guadalajara lamented the fact that clients refuse to pay enough for quality security, which results in negative consequences for the buyer. He explained how many of his clients previously hired the services of inexpensive, low quality firms and were subsequently robbed. Afterward, they came to his firm, which is registered, charges higher fees, and has a good reputation. According to the manager, the mentality of shopping for the cheapest security provision puts the buyer at risk of putting the keys to his or her house or business in the hands of criminals. “If you want to save two or three pesos then you have this type of problem” (“Quieres ahorrar dos, tres pesos pues tienes ese tipo de problema”), he explained (Former Security Company Manager 2014). In general, the optics of possessing private security is often seen as more important than its actual quality. One’s property may seem more secure when a guard is placed in front of it, no matter the quality of the guard. For example, if one storefront has a security guard in front of it and the neighboring storefront does not, then the common wisdom is the storefront lacking the guard will more likely be burglarized.

**Conclusion**

Despite the traditional view that tough regulations cause improved government control over private security actors, the Mexican case displays the opposite effect. Strict and costly regulations have actually reduced the Mexican governments’ ability to effectively control and monitor the private industry due to
private security providers’ avoidance of the law. Expensive, complicated and rigid regulations dissuaded private security owners from participating in the formal market. Tough regulations facilitated government bureaucrats and officials to use toughness of private security laws to their advantage by utilizing the “tollbooth approach” to provide easier access to private security permits and authorization to associates and those willing to pay bribes, further dissuading many from relating with the government. Finally, avoiding the government’s reach has been facilitated by weak enforcement of the law due to a lack of strong political incentives to devote additional resources to private security enforcement agencies. In sum, high barriers to entry, weak enforcement, and rampant corruption, have led most firms to avoid registering altogether, only partially register, or engage other corrupt activities in order to fraudulently gain access to the security market. The resulting widespread informality of the industry has severely limited the government’s control over the industry.
Collaborating and coordinating with private security providers is a common strategy undertaken by states in order to control and direct the industry in a manner that benefits the state’s own interests. I differentiate between “coordination” and “collaboration” when discussing state–private security relations because these actions are sometimes sought out by the state simultaneously or separately from one another. Greenberg defines the two main forms of coordination as “(1) concerting actions to achieve common ends and purposes, and (2) resolving or avoiding conflicts” (68, 1976). When relating this definition to public-private security relations, I see the state’s interest in achieving “the common ends and purposes” of promoting citizen security and maintaining law and order. Moreover, the state is interested in “resolving or avoiding conflicts” by clearly delineating the proper roles of public and private security actors, which clearly emphasize the state’s superiority over private actors. Meanwhile, Thomson, Perry, and Miller (2009) define collaboration as “a process in which autonomous or semi-autonomous actors interact through formal and informal negotiation, jointly creating rules and structures governing their relationships and ways to act or decide on the issues that brought them together; it is a process involving shared norms and mutually beneficial

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interactions” (25). In general, the state’s attempts to collaborate with private security providers does adhere to much of this definition, for example, the state does often engage in formal and informal negotiations with the private security industry. Nevertheless, there is generally a clear power structure involved that places the state in power and thus the “rules and structures governing their relationships” are not always created jointly, but instead imposed by the state onto private security providers.

States’ attitudes towards private security providers have shifted drastically over time. “Modern” public policing is conventionally argued to have emerged in England in 1829 with the creation of the London Metropolitan Police Department (MPD), a public force tasked with preventing crime. This was the first policing force created “squarely in the public domain” (Forst 5, 1999). The MPD’s power emanated from the English Constitution so the force’s actions were determined by the rule of law (5). As states became stronger and police forces grew larger moving into the 20th century, it became more commonly accepted that the nation-state was “the most appropriate location of responsibility for policing” and thus private security providers increasingly became seen as a threat to the state and the public interest (Shearing 1992, 404-406). In the 1930s, for example, U.S. Senate and Congressional committees were established to deliberate on ways in which railroad and mining companies used private policing to repress labor groups. A report emerged from the deliberations that served a scathing indictment of private security providers. The report called the private police, such as the Pinkerton National Detective Agency,
“mercenaries” and “aggressive private armies that were undermining the public peace and challenging the American state” (405). The report argued that policing is the government’s responsibility and “private police systems, therefore, cannot be viewed as agencies of law order” (Shearing 1992, 405; Joh 2003, 371). Private policing was, thus, deemed illegitimate and “should be monopolized by public government and accordingly should be used only under state authorization and control” (Joh 2003, 371; Shearing 1992, 405). As Shearing explains, “Policing was now simply assumed to be public” (408). In lieu of calling for increased public-private coordination and collaboration in order to inculcate professionalism, improve training, and instill private security providers with both a sense of public and private duty, the report calls for increasing the size of and improving the quality of public security forces so as to replace any need for private policing. In Mexico, the same sentiment was being expressed as private policing groups were centralized and incorporated into the state. In 1944, Juan José González Bustamente, second district judge in Mexico City, declared private policing groups unconstitutional because it states that policing is purely a public function (Excelsior 1944).

Nevertheless, private security began expanding rapidly throughout the U.S. and Europe in the 1960s. Along with this growth came a change in government attitudes towards the proper relationship between public and private security. During the 1970s, the British and U.S. governments sponsored new reports to recognize and better understand the industry. These reports had a much different tone about public-private security relations compared to those held in the past. A 1971 RAND
Corporation report commissioned by the U.S. Department of Justice was the first major study to promote a more positive view of the private security industry. The report argues that “private security services fill a perceived need and provide clear social benefits to their consumers and, to some extent, to the general public” (Kakalik and Wildhorn 1971, vii). It goes on to state that private security clearly reduces crime and serves a complementary role to the police. Most importantly to this chapter, the report calls for seeking out ways to enhance cooperation between public and private security forces (vii – ix). Ultimately, during this period and moving into the present day, private security is no longer viewed as a natural threat to the state and society, but instead as a potential partner with law enforcement to reduce crime and maintain law and order. With this shift in philosophy, a general worldwide move towards neoliberalism in the 1980s, and increased global growth in private security, governments across the world have actively endorsed cooperation and begun coordinating and collaborating with private security providers (Sotlar and Mesko 2009; Arambula 2014; Abrahamsen and Williams 2011; Weiss 2007-2008; Shearing 1992; Simelane 2008; De Waard 1999; White 2010).

Mexican governments have followed this global trend of embracing private security and endorsing partnerships between public and private security forces. The Mexican federal government as well as the governments of Mexico City, Jalisco, and Nuevo León have all endorsed public-private security and collaboration. The federal government has been most explicit in its efforts to develop positive relations with the private security industry and stimulate cooperation between the state and private
security. This endorsement for coordination and collaboration is emphasized in a Comisión Nacional de Seguridad (CNS) report entitled “MÉXICO: hacia un nuevo concepto de seguridad privada” (“towards a new concept of private security”) that declares that

the CNS, in compliance with the instructions of the president of Mexico and the Secretaría de Gobernación (Secretary of the Interior), considers private security to be of special importance in contributing to obtaining a peaceful Mexico. As a consequence, the CNS has instructed the Dirección General de Seguridad Privada (General Directorate of Private Security) to coordinate the intervention of the entire structure of the CNS in order to take full advantage of the committed support and collaboration of private security entrepreneurs and professionals in Mexico. (CNS 2013)

Actions taken by Mexican governments to promote coordination and collaboration include passing regulations explicitly calling for public – private security coordination and/or collaboration, participating in security expositions, convening informational sessions and instituting open door policies at government private security offices, engaging with private security associations, holding conferences and summits, and signing agreements with representatives from the private security sector. Despite these activities, however, actual on-the-ground collaboration between private security firms and members of law enforcement and government functionaries is limited and strained due to the poor reputation and performance of Mexico’s police forces. Mexican private security companies have an ambivalent relationship with the police, which causes firms to engage in two seemingly contradictory practices. Companies attempt to gain legitimacy by aligning
with the image of the police to earn a sense of “symbolic stateness” while simultaneously distancing themselves from Mexico’s actual police forces so as to disassociate from the institution’s poor reputation. Ultimately, private security providers’ own reputational concerns and fear of losing business tends to override attempts made by Mexican governments to create strong partnerships with the private security industry. Therefore, the greatest obstacle to effective public-private collaboration is not that public forces feel deeply threatened, challenged, and potentially displaced by non-public actors providing such a quintessentially public good. In fact, it is the poor reputation and performance of the public police, which discourages private sector actors from engaging cooperative relationships.

In this chapter, I begin by using literature on state formation and private security to provide a theoretical basis for the reasons states should promote public-private security coordination and collaboration. Second, I describe the various efforts taken by Mexican governments to promote coordination and collaboration between the state and private security. Third, I look at how private security providers’ legitimation concerns cause them to avoid Mexican police forces and even publicly display their distance from the institution in order to gain symbolic legitimacy. As a result, high quality collaboration and coordination between public and private security providers on the ground level are limited despite the government’s attempts to create a partnership between the two entities.
Public – Private Security Partnerships in Theory and Practice

Using Michael Mann’s (1984) concept of “infrastructural power”, it is possible to hypothesize that positive state-private security relations may strengthen the state’s infrastructural power while also allowing it to expend fewer resources doing so. Mann created the term “infrastructural power” to describe the reach and intensity of the state’s penetration into society and coordination of its activities within its territorial borders (1984, 114-115). By coordinating their actions with private security companies and delegating some security provision responsibilities to private actors, the state is able to expend fewer resources protecting the populace while simultaneously maintaining its reach into society. The state may actually be able increase its legitimacy and presence throughout its territory by coordinating with the private security industry to enforce its laws and create order in areas where it may have less access.

Furthermore, according to Evans’ (1996) conception of “state-society synergy,” public and private security actors can benefit one another through complementarity. “Governments are suited to delivering certain kinds of collective goods which complement inputs more efficiently delivered by private actors. Putting the two kinds of inputs together results in greater output than either public or private sectors could deliver on their own” (179). Sparrow (2014) follows this idea by explaining that “Collaboration between the public and private sectors enhances performance by sharing complementary skills, knowledge and resources. Partnerships facilitate information exchange and provide access to broader networks. All parties
can benefit from properly functioning partnership arrangements” (9). He then applies the idea of complementarity specifically to public–private relations by arguing that “the private sector can provide the public police with highly skilled and technical specialists that the public sector could not routinely employ. Collaboration with the private sector thus makes highly skilled and specialist resources available for public purposes” (9).

Drawing on case studies of Cape Town, South Africa and Nairobi, Kenya, Abrahamsen and Williams (2011, 196-215) provide credence to these ideas. In Cape Town, much of the central city’s policing was handed over by the city to a large transnational security company during a time when crime rates were getting out of control. In close collaboration with each other, the private and public police worked to reduce the city’s crime rate and increase citizen confidence in the government. Overall, the state’s integration of highly regulated private security forces into its anti-crime and violence strategy served to strengthen its legitimacy. As Abrahamsen and Williams argue “the utilization of private security resources has made it easier for the government to claim that it is ‘doing something about crime.’ In this way, the public has, to a significant extent, been able to mobilize the economic capital of the private to strengthen its own symbolic position, both nationally and internationally” (191).

The Cape Town case is contrasted with that in Nairobi, Kenya where persistent government corruption and citizen distrust of ineffective, abusive, and corrupt public security forces has structured the city’s security field. Hence, the introduction of private security companies has only served to further erode the
legitimacy of the state while doing little to reduce crime and violence levels.

Regulation of the private security industry in Nairobi is almost non-existent. Instead of collaborating in successful private-public partnerships, the private police and public security forces are more often in competition with each other. Moreover, the lack of cooperation between public and private security forces exacerbates inequalities as only the wealthy are able to purchase protection from private security firms while the poor must cope with an ineffective and authoritarian-minded public police force (196-215). Looking at the theoretical and practical examples above it is easy to determine that effective public – private security partnerships have the ability to benefit the state through its access to resources, technologies, skills, information, and manpower that it normally would not have the capacity to possess on its own.36

**Promoting Coordination and Collaboration in Mexico**

Mexican governments have attempted to promote positive relations between public and private security providers with a number of strategies, most notably, through legal mandates, participation in security expositions, informational sessions

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36 One may counter, however, that too much collaboration and coordination between the government and the private security industry could threaten the state’s monopoly on the legitimate use of force. As private security companies are given a greater role in providing for the public’s safety they slowly chip away at the divide between public and private security, which raises issues of accountability for private sector providers responsible both to their clients and society at large. Additionally, certain types of coordination between the state and private security providers may become collusive, in which individuals and groups within the public and private sphere work together to benefit their own self-interests, either materially or politically, to the detriment of the public good.
and open door policies, engagement with private security associations, and signed agreements between the state and the private security industry.

Legal Mandates

The federal government, Mexico City, Jalisco, and Nuevo León all have specific regulations mandating coordination and/or collaboration between private security companies and the state. By codifying public-private security collaboration into law, Mexican governments have both signaled their strong interest in the matter and created a strong incentive for private security providers to comply. The federal regulations are quite narrow as they simply order private security providers to help “those who are in danger or have been a victim of a crime” and “contact emergency medical services.” (Diario de la Federación 2011) This narrow guideline can be explained by the fact that the federal private security regulations serve as complementary to state laws, which are often more comprehensive (Arámbula 2014). Mexico City, Jalisco, and Nuevo León all have much broader regulations regarding public – private security coordination and collaboration. Mexico City’s regulations describe when and how private security providers should assist the state, defines the role private security providers are expected to play in relation to improving security conditions in the city, and repeatedly emphasizes law enforcement’s superior position over private security.

[Private security] must assist public security in case of disasters and collaborate with information and elements for the investigation and prosecution of crimes. Private security is to perform these activities in an auxiliary and complementary form to public security. Private
security is there to strengthen and complement public security below the Secretaria de Seguridad Publica’s security scheme with service providers, authorities, and official institutions in order to benefit the population to create the best security conditions possible in connection with the law and respect for human rights. The services and activities of private security will be auxiliary and complementary to the function of public security in benefit of the integrity of people and goods. (Gaceta Oficial del Distrito Federal 2014)

Jalisco’s laws regarding public-private security collaboration are quite similar to Mexico City’s in that they require private security providers to assist and collaborate with state and municipal public security bodies. It also clearly delineates between the public and private realm by emphasizing that “providers and their personnel are prohibited from exercising the functions that are exclusively denoted to the public security authorities” (Jalisco State Government 2014). On the other hand, Nuevo León’s regulations are relatively vague and broad in comparison: “Private security providers are expected to provide information about criminal investigations and give support in cases of disaster in an auxiliary role to public security. Personnel must assist the authorities and public security institutions when it is required” (Periódico Oficial del Estado de Nuevo León 2017.) Creating such a broad-based law allows for extensive leeway in terms of the government’s ability to call on private security providers for assistance. Overall, the state and city regulations presented above give theses governments the power to call on private security for assistance in a variety of situations and allows for flexibility when applying the law. Private security providers, therefore, have less power in determining when they can challenge the state’s legitimacy when it demands their assistance during a given situation and thus
creates for a broad scope of activities for which they may be called upon. Thus, mandated coordination and collaboration is more of a form of command in that the public forces are dictating the behavior of private security.

Security Expositions

Another key strategy in which federal and state governments and public security departments attempt to foster positive relations with private security companies is through participation in security expositions. The three most prominent expositions in Mexico are held in Mexico City, Monterrey, and Guadalajara. Mexico City’s “Expo Seguridad México” is by far the largest with over six hundred companies represented. These expositions serve as venues where companies selling various types of security and security-related equipment and services – from drones and guard dogs to turnstiles and cybersecurity software – rent booths and advertise their wares to potential customers. Interspersed throughout the exposition are spaces reserved for public security forces to display their newest tactics, uniforms, weapons, and equipment. At the security expositions I attended, municipal, state, and federal police forces were represented as well members of the armed forces. By participating in these expositions alongside private security vendors, the state sends a sign of respect to the industry and a visual message that it is operating on the same plane as private security providers.

All of the expositions begin with an inaugural session where various government functionaries from the federal, state, and local governments sit alongside
business representatives at a long table facing the crowd and perform short speeches about safety in Mexico and the necessity for collaboration between public and private enterprises in the realm of security. The expositions generally last for three days and include informational sessions with titles such as “The Role of the Investigator Facing Modern Threats,” “Applied Integral Security at Massive Events,” and “Supply Chain Security Management.” Presenters may be private or public security professionals who come from either Mexico or abroad. Private meetings are also held throughout the exposition between government functionaries and private security company representatives. Overall, these expositions serve as spaces for public and private security providers to display their wares and talents side by side, rub elbows, become familiar with one another, discuss issues, and share information and technology.

**Informational Sessions and Open Door Policies**

Informational sessions serve as an opportunity for the state to explain the proper role of private security providers in relation to the state and public security forces, describe rules and regulations related to private security, and discuss new strategies and technologies to improve security provision and public-private security relations. Mexico City’s Secretaría de Seguridad Pública (SSPDF) uses these sessions as one of its primary strategies for relating to private security providers operating in the Federal District. In October 2013, for two weeks, daily presentations were held at the SSPDF headquarters for private security providers. The presentations were the same every day and consisted of representatives from the SSPDF describing to the attendees the registration process and private security
regulations. Afterward, a special representative from the SSPDF modeled the city’s new *cuadrante* program, *Cuadrantes* is an initiative that divides the city into quadrants. Police units are stationed in these quadrants for extended periods of time in order to promote better community-police relations and improve the depth of the state’s knowledge about criminal activity occurring in each neighborhood throughout the city. At the presentations, the presenters advertised *cuadrantes* as a means for private security guards to coordinate their activities with the Mexico City police. After at least one of these meetings, attendees were invited to convene in the offices of the Executive Director of the SSPDF’s private security office to have a more personal discussion about the current state of the relations between the city government and themselves as private security representatives.

In lieu of informational sessions, both the Jalisco and Nuevo León private security offices have open-door policies in which private security providers are welcome to drop into the states’ offices on private security to discuss any issues they may possess (State Employee 2014; Ibarra 2014). These informational sessions and open-door policies serve as a way for the state to develop personal relationships with private security providers, give them the sense that they are valued, and take their questions and concerns seriously. Through these actions, governments are attempting to create familiarity, understanding, and trust between themselves and the industry.
Private Security Associations

Private security associations abound in Mexico and serve as another link between private security companies and the state. Thirty private security associations operate in Mexico and they range in scale from regional, national, to international. Some represent the industry broadly while others consist of specific constituencies within the industry, such as armored car providers or information security companies. By joining associations, individual companies have a greater voice in the face of the government. City, state, and federal government employees regularly engage in meetings with private security association representatives in order to share information, discuss the current state of the industry, and negotiate agreements.

One of the most prominent associations in Mexico that has a particularly strong interest in promoting police – private security relations is ASIS International (ASIS Representative 2014; Ubaldo 2014). ASIS International was founded in the United States in 1955 by individuals determined to professionalize the security industry. The association was originally named the “American Society for Industrial Security,” but over time it began to spread to other countries and was renamed “ASIS International” in 2002 to reflect its global orientation (ASIS International). ASIS chapters abound throughout the world now.

Mexico’s first ASIS chapter was founded in Mexico City in 1995. Since then, three more chapters have been founded. They are based in Monterrey, Guadalajara, Tijuana, and Ciudad Juarez. The Mexico City chapter is the largest with
approximately 500 members. Only security professionals from the private sector may join the association, however, strong efforts are made by each chapter to create links with public security institutions. Each chapter holds meetings, seminars, trainings, certification courses, conferences, and other events in which members can meet with and learn from one another as well as individuals from the public security sector.

ASIS International gatherings serve as key spaces for members of public and private security to get acquainted, rub shoulders, and learn from and share information with one another. For example, the chapter in Monterrey holds monthly morning meetings at a hotel where a guest speaker from the public or private security field presents for one hour on a topic related to security (Ubaldo 2014). Some speakers are Mexican while others are foreign. Chapter members sit at round tables and eat catered breakfast while listening to the speakers. Afterward, a lot of networking occurs as members walk around to different tables, shaking hands and giving out business cards.

Meetings and Agreements

Another key strategy used by the state to promote collaboration and coordination with private security providers is through the signing of agreements. Although generally non-binding, these agreements put into writing promises made by members of the state and private security industry to promote and enact policies that are mutually beneficial. One of the most significant meetings affecting public–private security relations was convened in 2013 by the CNS in the Mexico City neighborhood of Bélen de las Flores. The meeting was held between major
representatives from the state and private security industry. Representatives from the state included the National Security Commissioner, the Commissary General of the Federal Protection Service, the Commissary General of the Federal Police, and the Director General of the Federal Directorate of Private Security. Representatives from the private sector included presidents of twelve different private security associations as well as a number of vice presidents and other individuals from the industry.

The result of this meeting was the signing of an accord between the government and private security providers entitled Declaración de Belén de las Flores “México en Paz.” Signers of the declaration promised to abide by a variety of measures to improve collaboration between private and public security. More specifically it promises to “strengthen the private security industry as an auxiliary and complementary function to public security participating in a strategic alliance that contributes to preventing and dissuading crime in the national public security environment” (Dirección General de Seguridad Privada 2013). The measures within the declaration include promises by private security providers to register and train all of their employees, act in coordination with the CNS to establish the formation of specialized private security instructors, share human and technological resources with the state to prevent crimes from occurring, generate and exchange information with the government, actively participate in spaces with the CNS to discuss ways to promote industry innovation, and work with the CNS to develop a regulatory framework that reflect the needs of the industry and the social, political and economic realities of the country.
The accord was lauded by members of the National Security Commission and representatives from the private security industry. During my interview with Juan Antonio Arámbula, the Director General of the National Security Commission’s Private Security Office, he proudly walked me over to a large framed version of the Declaracion de Bélen de las Flores on his office wall. Next to the document was a framed photo of all the attendees at the meeting who he identified to me. Arámbula posited this accord as clear evidence that relations between the state and private security industry were “muy buena” (very good).

Nevertheless, while the signing of accords, such as the Declaración de Flores de Bélen, may signal that state officials and high level representatives of the private security industry are publicly in good standing with each other and willing to make public promises about the future of public-private relations, it does not necessarily mean that those promises will channel down to individual companies and have an effect on actual on-the-ground relations between public and private security providers. As will be described below, private security companies may be happy to hobnob with government officials and sign non-binding agreements with the state, however, engaging and coordinating with public security forces on the day-to-day level is much less common due to private security companies’ desire to look reputable and trustworthy in the public’s eyes.

**Private Security Providers Seeking Legitimacy**

Mexican private security providers have a highly ambivalent relationship with the police. This leads them to engage in two seemingly contradictory practices. On
the one hand, private security companies attempt to gain legitimacy by copying and aligning with public security forces to earn a sense of “symbolic stateness.” They accomplish this by wearing uniforms and using equipment that is associated with the police in order to earn the symbolic legitimacy of the state authorities. On the other hand, private security companies distance themselves from actual police officers so as to disassociate themselves from that institution’s poor reputation for corruption and abusive behavior. This form of disassociation is most evident through hiring practices that prohibit (often in a very public manner) employing former police officers and reducing the companies’ public contact with the police.

Scholars of the police and private security have also shown how government police forces tend to hold a special precedence over non-state security actors. Reiner (2010, 3) coined the term “police fetishism” to describe “the ideological assumption that the police are a functional prerequisite of social order so that without a police force chaos would ensue.” Loader (1997) builds on these ideas by arguing that the police have a “symbolic power” that goes beyond a reasoned calculation of what the police can accomplish by way of social protection. Popular sentiment toward policing is marked by a high “fantasy content” regarding what the police can and should do. It is attracted to the idea of an omnipotent source of order and authority that is able to face up to the criminal Other…. when people think of crime and order they reach, as it were, instinctively for the police. Such dispositions amount—as Bourdieu would say—to an unthought category of thought that habitually leads people to couple crime and policing together as one. An idealized force for good is imagined as struggling with, and seeking to contain, an unknown, unpredictable and demonized evil. The link between policing and social order seems an obvious one. (Loader 1997, 3-4)

The police’s privileged position is reinforced by their ability to name and
legitimate individuals and things in society. Through their position of authority they are able to present an “official story” of events and declare who and what are to blame for criminal acts and disruptive behavior. The police exhibit their legitimacy and power through their symbols of authority, which include uniforms, badges, and equipment and technologies such as handcuffs, helicopters, and patrol cars. The police, therefore, “start from a winning position,” and private security providers consequently start from a losing position because of the greater inherent cultural attraction toward public security over private (Loader 1997, 3). According to Goldsmith (2003) this tendency holds in both the Global North and Global South.

Citizens are thus predisposed toward accepting the activities of the police, which facilitates and legitimates the agency of state actors while simultaneously curtailing and delegitimizing the agency of private security actors. Accordingly, research on the Global North has found that private security providers attempt to associate themselves with the police in order to enhance their legitimacy as wielders of authority. As Thumala et al. (2011) explain, “Symbolic borrowing from the police is … generally held to be a blessing—something that can enhance the security industry’s reputation and worth” (294). This “symbolic borrowing” is often done through using equipment and wearing uniforms that are reminiscent of the police and public authority.

In addition, scholars have found that private security companies in the Global North have made an effort to hire former police officers as another strategy to enhance their association with the police and hence, their legitimacy. Hiring police
officers shows that companies have a certain level of experience and expertise in their ranks. It also recognizes their understanding of and appreciation for public service (Thumala et al. 2011, 294). In France, Ocqueteau (1993) found that hiring police or military officers gave companies an edge in terms of securing contracts because “clients automatically assume that these agencies are more reliable and experienced than the others” (118).

In countries such as France and England, the police generally have a good reputation. Given that they face a skeptical public that primarily associates public police forces with authority, law, and order, it makes sense that private security firms would affiliate with the police both symbolically and directly as a legitimation strategy. In Mexico, by contrast, the police are viewed quite negatively, and therefore legitimation for private security providers is more complicated. According to a 2014 Parametria poll on institutions, only 29 percent of Mexicans expressed confidence in the federal police and a paltry 18 percent expressed confidence in state police forces. The state police ranked second to last of the 31 institutions on the list. The three most common criticisms of the Mexican police forces are corruption, ineffectiveness, and human rights violations (Sabet 2012, 10).

According to Muller (2012), the roots of this problem go back to the colonial era and continued after Mexico was established as a republic in 1824. As explained in the first chapter, the Mexican state developed and consolidated through a process of negotiation between the central state and local power holders. In order to secure loyalty and support, the central state tolerated and allowed local caudillos to
appropriate public resources for private purposes, to act with impunity, and to use extralegal force. During the long reign of President Porfirio Díaz (1876–1911), “public security became identified with political stability” (Muller 2012, 50). Since then, the police have been used primarily as a force to subdue and repress political threats.

Throughout the even longer rule of the PRI (approximately 1929 to 2000), the central state continued to allow local strongmen broad autonomy in terms of their use of public resources, including the police, as long as they remained loyal to the party. Police forces developed immense, corrupt networks and generated much of their revenue through the collection of bribes. The negotiated nature of the state has continued despite the onset of democratization in the 1990s and the election in 2000 of the nation’s first non-PRI president in more than 70 years, Vicente Fox of the Partido Acción Nacional (PAN) (Muller, 2012, 57–64). Successive governments have attempted to reform Mexico’s police system, and some have succeeded. Nevertheless, they have not been able to fully address the corruption and impunity that is ingrained in the institution’s culture (Piccato 2001, 218). Police promotions are still dominated by patronage politics, and corruption continues to be tolerated within the institution, due in large part to a lack of “effective accountability mechanisms” (Sabet 2012, 21). As Moloeznik (2009) explains, Mexican police officers are poorly educated, poorly trained, and have the lowly distinction of being “the most amenable to bribery among all the police forces in Latin America” (62-73).

As a result, public support for the Mexican police is very low, and therefore it
would seem to follow that citizens would look to other sources in matters of law and order. In some areas of the country this has been the case. For example, in the state of Guerrero, communitarian police forces were created to protect the interests of the local indigenous communities. As described in Chapter 3, in Michoacán, groups of vigilantes labeling themselves *auto-defensas* (self-defenses) formed in response to growing violence and threats of extortion from local organized crime groups. The *auto-defensas* have challenged the authority and legitimacy of the police in these areas and in some instances, have won over the support of the local population. Nevertheless, the vigilante groups tend to be isolated in more rural areas along the western coast of the country and have faced major resistance from some communities, including blockades and calls from locals for support from the federal police to remove the groups from their communities (Faussett and Sánchez 2014).

Yet despite these examples of self-policing and vigilantism and the low popularity of the Mexican police forces, there is still some evidence of an ingrained “police fetishism” among the Mexican public, especially in major cities, where private security is most prevalent.

Muller (2012) provides evidence of Mexican citizens’ “police fetishism” in his comparative study of two boroughs in Mexico City. He finds that in both middle-class Coyoacán and the poor, working-class borough of Itzapalapa, “at the symbolic level, the police were imagined and described as the most powerful and promising actor for confronting and solving the local security problems” (195). This despite residents’ description of the police as “abusive, corrupt, involved in criminal
activities, money hungry, inefficient, idle, poorly educated, and with little vocational spirit” (163). As Muller describes his interactions with local citizens, “the police were often imagined as the guarantors of order, a perception which reflects the deep-seated local ‘police fetishism’ held by the people” (195).

Muller thus displays clear evidence of these Mexican citizens’ “paleosymbolic” connection between the police and public order and crime fighting. Loader’s argument that “the attachment to policing is unlikely to be shifted merely by demonstrating that it is in some sense or other irrational or wrong-headed” can therefore be tentatively applied to the Mexican case (1997, 3). Unlike a nodal governance viewpoint, in which all security providers exist on equal footing (Wood 2006), these citizens, coming from varied socioeconomic backgrounds, could not imagine a scenario in which the police were not involved in security provision. As Muller explains, “normative expectations regarding the desirability of police-related security provision...exceeded those of other potential security providers” (2012, 197).

Overall, we see some evidence that Reiner’s concept of police fetishism can be applied to the Mexican case. Despite their poor reputation, the Mexican police are still generally seen as the primary guarantors of order and safety. How, then, does this situation affect the ways private security companies position themselves in relation to the police, and what are the consequences for the state?

**Mimicry and Distancing**

Mexican private security providers are placed in a unique bind in terms of how to achieve legitimacy. Private security providers thus face major challenges in
gaining the Mexican people’s trust. Unlike in the Global North, they cannot simply align themselves as closely as possible with local and state police departments. While many citizens in Mexico may inherently denote the police as the appropriate institution for crime fighting and imposing order, they are also highly aware and disdainful of the institution’s unseemly practices. In order to achieve legitimacy and a positive reputation, private security providers in Mexico therefore engage in two seemingly contradictory practices: they both align with and distance themselves from the police.

On the one hand, they attempt to gain legitimacy by copying and aligning with public security forces to earn a sense of “symbolic stateness” and legitimacy. This is done by wearing uniforms and using equipment typically associated with the police. On the other hand, private security providers also distance themselves from actual police officers to disassociate themselves from the institution’s poor reputation for corruption and abusive behavior. This form of disassociation is most evident through hiring practices that prohibit (often in a very public manner) employing former police officers and reducing public contact with the police. Private security providers in Mexico are ultimately attempting to align with the ideal image of policing while also distancing themselves from the actual institution. Through simultaneous mimicry and distancing, private security providers strive to legitimate themselves in the eyes of society while also attempting to transcend the poor reputation of the police in order to bolster their own.
Mimicry

By dressing their guards in uniforms and carrying equipment similar to those of the police, private security companies attempt to communicate to the public the authority and legitimacy of their employees. Uniforms play a key role in denoting one’s legitimacy and authority (Joseph and Alex 1972, 72; Bell 1982, 25). The police officer’s uniform is a particularly powerful marker of authority. Its “highly recognisable and iconic nature” make it “arguably the most powerful tool of the police trade” (De Camargo 2012, 1). As Bell (1982) explains, “The perceived authority associated with the police uniform has been an essential ingredient of the police role…. [The uniform] functions as a filter and a barrier communicating nonverbally to the citizens who the police are and what their function or role will be” (25-26). By wearing uniforms similar to those of the police, private security providers attempt to communicate nonverbally to citizens that they possess the same type of authority that the police hold and should therefore be treated with the same level of respect.

In general, private security guards present themselves in two dominant ways. The first is a professional, businesslike appearance in which guards wear ties and dark suits and thereby look similar to bodyguards or secret service agents. The second look presents security guards wearing uniforms and carrying weapons that are very reminiscent of the police. In figure 4.1, the guard depicted in the advertisement wears a badge on his chest and an insignia on his shoulder, both traditional symbols of police authority. He carries a Billy club on his belt and holds a walkie-talkie,
equipment regularly carried and displayed by police officers. Except for the baseball cap he wears that says “security,” he could easily be mistaken for a police officer.

Figure 4.1. Empresa líder en Seguridad Privada a nivel Nacional Solicita por apertura. Advertisement for the company Brom y Asociados. *El Gráfico* (Mexico City), December 8, 2014.
In figure 4.2, the guards wear royal blue uniforms, a color commonly associated with police officers. Furthermore, the guard in the center wears a peaked cap, the typical style of headgear worn by police officers in many parts of the world. He also presents himself with an open stance and a stern expression to show authority.

Figure 4.2: “Grupo Tamame, solicita”. Advertisement for the company Grupo Tamame. *El Gráfico* (Mexico City), December 8, 2014.

Although the Mexican population tends to hold the real Mexican police in low esteem, by mimicking the style and appearance of the police, private security companies are presenting an ideal of what the institution should be like. They do not
have to look exactly like Mexican police officers, but simply like the public’s general image of how cops should appear. By mimicking their appearance, they attempt to gain the “symbolic power” of the police as the ideal institution for providing safety and security, regardless of whether the actual Mexican police forces have been successful at accomplishing these tasks. The private security guards thus mimic an idealized version of the police. As Joseph and Alex explain, due to its “identification with a group, the uniform assumes the properties of a totemic emblem and embodies the attributes of a group” (1972, 720). Private security providers are, therefore, attempting to embody the attributes of public security by wearing uniforms that look like those of the police.

**Hiring Practices**

Despite mimicking the police in dress and style, private security providers concerned with their image and the quality of their services express a strong wariness toward hiring former police officers, and many refuse to do so at all. José Ubaldo de Leon (2014), the President of ASIS International’s Northern Mexico Chapter, estimates that ninety percent of private security companies refuse to hire ex-police officers because they do not trust them. Private security representatives interviewed described former police officers in various derogatory ways. In casual conversation, private security guards at a security exposition in Guadalajara told me local police officers looked like *payasos* (clowns). They further described them as poorly trained, underpaid, and lacking respect. Some private security representatives used the term *mañoso* (translated loosely as tricky or disingenuous) to describe police officers.
Others called them crafty, corrupt, and contaminated. When asked why his company refused to hire former police officers, one private security manager bluntly replied, “Porque pinches policías muy corrupto. Ex-policías muy corruptos” (Because the damn police are very corrupt. Ex-policemen are very corrupt) ([1], 2014). He went on to argue that there are almost zero clean cops and therefore his company refuses to hire them.

Other security officials argued that while there are some high-quality Mexican police officers on the force, it is just not worth the risk to hire anyone from the institution (Security Manager [2], 2014). Many security companies have strict policies against hiring ex-police officers or do so only in rare circumstances. Multiple private security providers noted that one of the reasons the private security industry has a bad reputation is that unregulated companies are known to hire ex-police officers, and any type of association with that institution is negatively viewed by society. We can therefore see self-consciousness among private security providers about the value of their reputation as an industry and an understanding of the harmful effects that can result from associating with the Mexican police.

While some private security companies follow unwritten rules prohibiting the hiring of former police officers, others are completely frank about it. Perusing the classified sections of Mexican daily newspapers and flyers posted at subway stations, one can find a number of examples of recruitment advertisements for private security guards that explicitly refuse to hire former police officers. This public refusal to hire ex-police serves as a message to potential applicants and the broader public that the
company is concerned with its image and is intentionally distancing itself from a corrupt and abusive institution. For example, in an advertisement for the company I.E.S.S. in *El Gráfico*, a Mexico City daily newspaper, the first requirement for potential employees states in all capital letters: “NO EX POLICIAS” (figure 4.3). In another example, a company places at the bottom of its advertisement “NO EX-POLICIAS” in bold white lettering (figure 4.4).

Figure 4.3: “Guardias Elite.” Advertisement for the company Grupo I.E.S.S. *El Gráfico* (Mexico City), September 4, 2013, p. 45.
The bold prominence of the pronouncements in these advertisements signals the importance these companies place on demonstrating to readers that they do not associate with the police and the police’s reputation for poor behavior. By separating themselves from the police by openly refusing to hire its former employees, these companies attempt indirectly to exhibit their own virtue and respectability in contrast to that of the police.37

37 The only ex-police officers openly courted in a few of the advertisements are former members of the Policía Bancaria e Industrial (PBI, Banking and Industrial Police), a specialized unit in the Mexico City Police Department with a higher reputation and a unique public-private status that specializes in guarding property and goods. Since 2011, the PBI has received ISO 9001 certification by IQNet, one of the largest and most reputable global certification bodies, for implementing and maintaining a high-
Most advertisements are subtler, in that they invite former military officers and marines to apply but leave ex-police off the list. Despite its own problems with abuse and corruption, the Mexican military tends to have a much higher reputation among the populace than the police do. According to the Parametria poll cited earlier, Mexicans express more confidence in the military than in any other government institution. A reported 60 percent of Mexicans surveyed stated that they had either high or some confidence in the armed forces. People’s level of confidence in the military fell behind only their confidence in friends, family, and the Catholic Church. In comparison, a poll conducted by the Instituto Nacional de Estadística y Geografía cited public confidence in the Mexican police at just 19.8 percent (2012). According to Marcos Pablo Moloeznik (2009, 65), “there is a widespread perception that the armed forces are the only public institution capable of instilling trust in the Mexican population” (65).

In interviews, private security representatives also highlighted their preference for ex-military officers. The military was seen as a cleaner, better-formed institution than the police. The close to incorruptible nature of military officers was contrasted with the view that there are almost no clean cops. Ex-military officers were also

quality management system (SSPDF 2015, 130). Also in 2011, former Mexico City mayor Miguel Ebrard and then Mexico City police chief Manuel Mondragón declared that the PBI was the highest-quality police force in the city (Pantoja 2011).

38 Former president Felipe Calderón’s emphasis on including the Mexican military in the fight against drug trafficking and organized crime in Mexico, and current president Enrique Peña Nieto’s continuation of this policy, have led to allegations of increased human rights abuses and corrupt practices perpetrated by members of the military, due to their closer contact with criminals. Claims of military perpetrated execution-style killings of twelve alleged criminals in the State of Mexico in July 2014 is one of the most notorious examples (Human Rights Watch 2016, 400-403; Sin Embargo 2014).

We see, then, evidence of a “military fetishism,” in that private security companies are willing to associate with other state security institutions that have a better standing in Mexican society. There is even evidence of Mexican police forces mimicking the military as well. Various Mexican police departments have attempted to militarize their practices, to hire military officers to fill their upper ranks, and wear uniforms that mimic those of the military. For example, all Jaliscan state police officers have now been outfitted in camouflage military fatigues. At first glance, they can easily be mistaken for soldiers.

Consequences

Private security companies’ ambivalent relationship with the police contributes to the lack of operational contact between the two entities, which severely limits the governments’ effort to produce coordination between them. A representative from ASIS Mexico City (2014) described how some private security companies continue to refuse to work with the police despite ASIS’s efforts to improve links between the police and the private security industry. She argued that this reluctance is due to the police department’s longstanding corrupt reputation.
Although optimistic about recent efforts to improve Mexico’s police forces, she explained that historical beliefs and taboos about the Mexican police die slowly and will, therefore, take a lot of effort to improve relations between private and public security forces.

Representatives both from Mexican police departments and from a number of private security providers interviewed concurred on this point, arguing that coordination either is limited or does not exist at all. For example, a Jaliscan state employee who registers private security companies described the police and private security firms as completely separate entities that do not coordinate with each other whatsoever (State Employee 2014). Furthermore, a private security manager pointed out that his only contact with the government, much less the police, is when they come by once a year asking for the company’s yearly registration fees ([1] 2014).

When speaking about public-private security relations, a retired Mexico City police officer (2013) stated, “Puedo decir que no hay ninguna coordinación en real. Muy pocas veces se hace contacto” (“I can say that there is no real coordination. Contact is made very few times”). He went on to explain that the only contact he had with private security companies was conflictual. For example, he described an experience in which he found himself and his fellow officers being prevented by private security guards from entering a crime scene in a home the guards had been hired to protect. In regard to conflicts, Davis (2006) points out that “accounts of private security forces thwarting public police, and vice versa, are routinely reported by citizens and officials alike.” She highlights the example of a widely reported shootout between police
officers and private security guards occurring “just a few hundred meters” from the
president’s administrative offices (77).

A French security consultant working in Mexico asserted that he is never in
contact with the police and tries to avoid the institution altogether ([1] 2013). As he
explained it, staying out of contact with the Mexican police serves as “my protection
against corruption.” If private security providers do associate with the police, the
police’s poor reputation causes some of them to hide or downplay the relationship.
Both public and private security representatives described a situation in which private
security firms and police officers may form personal contacts and exchange
information privately, but insisted that there are no formal, systematic lines of
communication between police departments and the companies (Security Consultant

This lack of contact even persists in Monterrey where a new and highly
regarded police force, Fuerza Civil, was recently created. The Fuerza Civil was
founded in 2010 after Monterrey had begun experiencing massive increases in crime
and violence related to turf battles between drug trafficking organizations in the city.
Civic leaders and the business community began pressuring the government of Nuevo
León to reform its police force, which was being blamed for its inability to contain
Monterrey’s high violence and crime rates. As a solution, the state government allied
with local universities and the Monterrey business community to create a new state
police force that would replace the municipal police forces. Five universities
developed police training programs while six of the largest companies in Monterrey
gave the government access to their human resources staff to create aggressive
nation-wide recruitment strategies and screening measures. Recruits were offered
significant benefits and much higher salaries than the previous state police force
offered. Significant efforts were also made to develop coordination efforts between
the Fuerza Civil and the army, navy, attorney general’s office, mayors, and the state
intelligence agency (Conger 2014, 15-19). Attempts were also made to improve links
between public and private security forces through the holding of multiple joint
events in order to share information and increase communication between each other
(Ubaldo 2014). Karla Ibarra (2014), an administrator at the Dirección de Control y
Supervisión a Empresas y Servicios de Seguridad Privada (Directorate of Control and
Supervision of Private Security Companies and Services) and José Ubaldo Leon, the
President of the Monterrey-based ASIS chapter, both stated that relations between
public and private security have improved significantly since the creation of the
Fuerza Civil.

Nevertheless, multiple Monterrey-based security providers, individuals from
security-oriented research organizations, and even a member of the Fuerza Civil itself
described a situation in which there is still little on-the-ground contact between public
and private security forces (Security Analyst 2014; Treviño Sosa 2013; Retired
expressed continued skepticism about this new force and thus hesitancy to engage
with them. José Martín Treviño Sosa, the Director of the Instituto Estatal de la
Seguridad del Estado de Nuevo León, explained that private security providers
engage in little collaboration with police beyond serving as their informants. He explained that if there’s an emergency a private security guard may contact the police, but in general there is no united front between the police and private security companies to fight crime and maintain order. One security company owner called the creation of the *Fuerza Civil* a big publicity stunt that masks the fact that crimes still occur throughout the city. He ridiculed their constant patrols throughout the city as a big show. The owner continued by stating that his company still refuses to hire ex-police officers. He described ex-police officers as contaminated with very a low level of training and no discipline (Security Company Owner 3, 2014). At a security exposition in Monterrey, a security vendor referred to the *Fuerza Civil* as “Verguenza Civil” (“Civil Embarrassment”) and a Monterrey-based guard (2013) working for a large Mexican private security firm explained that he never calls the police when a crime occurs at an establishment he is guarding because he assumes that the police are affiliated with those committing the crime. Another private security company owner based in Monterrey confided that he does not publicize the fact that he provides some services to the police ([3] 2014). He explained that he prefers to keep this information secret so as not to damage his reputation with clients. He also described how he limits his firm’s contact with the police as much as possible, due to his lack of trust in the institution. The company does not coordinate with the police, nor does it share statistics with them (Security Company Owner [4] 2014. These final points highlight the profit-driven nature of private security company owners’ concerns about the police. Growing a client base and satisfying customers are hugely
important concerns for these for-profit private sector actors. The evidence above exhibits how some private security companies are fearful that publicly associating with the police could reduce profits by scaring away current and potential customers.

**Conclusion**

Ultimately, Mexico’s poorly performing police forces have severely reduced opportunities for fruitful collaboration and coordination between the Mexican state and private security companies. Legitimate private security providers in Mexico are placed in a difficult position in regard to their relationship with the police, which is unlike cases in the Global North, where the police have a relatively positive reputation, thus encouraging private security companies to associate with them and to hire former police officers. On the contrary, in Mexico, private security providers dissociate themselves from actual police officers and refuse to hire them, in an attempt to distance themselves from the corrupt reputation of the institution. However, they simultaneously attempt to mimic the ideal image of police officers so as to legitimate themselves in the eyes of the public as an entity worthy of providing protection. As a result, we see an ambivalent and distant relationship between private and public security providers. Overall, this situation further exhibits the essential role played by security forces in affecting the state’s ability to direct the private security industry in an effort to enhance its capacity.
CONCLUDING REMARKS

Private security is here to stay. There are currently more private security guards in the world than police officers and the industry continues to expand. Considering security provision is one of the defining characteristics of the state and its legitimacy, investigating state responses to the emergence of the private security industry should be of particular interest to scholars of the state. Developing this understanding helps us to better conceptualize the workings of the modern state in a neoliberal global framework. Private security does not have to necessarily serve as a threat to the state’s monopoly on violence, but has the potential to strengthen it. Furthermore, far from being “beyond the state”, governments play an integral role in shaping the contours, development, and size of the private security sector (Muller 2010). My study investigates this role played by the state by examining the strategies they use to direct and control the sector. As my findings exhibit, the strategies selected, their implementation, and potential effectiveness are strongly driven by state actors and the quality of state institutions involved in the process.

In the Mexican case, actors from the federal, state, and municipal level, including presidents, politicians, regulators, police officers, and administrators have played key roles in shaping the state’s relationship with the private security industry. Incorporation, regulation, coordination, and collaboration are the key strategies Mexican state actors have utilized in attempts to exert control over private security providers and use them to enhance the state’s capacity to impose order and reduce crime and violence. These strategies have mostly failed, however, due largely to the
state’s weak security institutions and related corruption. As a result, Mexican governments and the private security sector have a distant and wary relationship that prevents the state from using the industry as a partner to improve its capacity through the strengthening of its ability to impose and uphold the rule of law.

First, through incorporation, states have the potential to improve their capacity by expanding the size of public security forces with actors possessing security-related experience while also eliminating a competitor for citizens’ loyalty and the threat these actors may pose to the state’s monopoly on force. In the 1930s, the Mexican federal government incorporated private watchmen’s groups into the Mexico City police department as a new police force labeled the Policía Auxiliar. A number of states followed by creating their own auxiliary police forces from former watchmen’s units. In the Mexico City case, this attempt to incorporate non-state security actors into state police forces failed to achieve the goals listed above. Non-state security actors were incorporated into crooked and abusive police departments that immediately integrated these new auxiliary police forces into their protection rackets. As a result, these forces were corrupted while their rank-and-file were exploited, underpaid, and abused. The Policía Auxiliar, therefore, failed to improve the quality and strength of the city’s police force. Moreover, while watchmen were eliminated as an immediate competitor to the state, the continued poor quality of the police helped to facilitate the emergence of new private security actors in the future. Other states, such as Jalisco and the State of Mexico, only partially incorporated their auxiliary police forces, which placed them in a grey zone between the public and private
spheres, thus, creating major issues of accountability. Their shady status has facilitated their co-optation into private armies for businessmen, politicians, and government officials and created resentment from private security firms who view them as underhanded competitors. Overall, incorporation is a risky strategy if the process is not fully undertaken and public security forces are tainted.

Second, imposing private security regulations is commonly seen as the most effective way to direct, control, monitor, and limit the activities of the industry. Through the use of regulations governments can set standards that maintain the state’s dominant position as a security provider while imposing requirements on security providers that promote high quality services that take account for the safety and well-being of employees, clients, and society. Through regulations, governments can create measures to define the scope of private security providers’ activities, set training, hiring, and labor standards, establish accountability measures, and create safeguards to prevent overlapping responsibilities and confusion regarding which forces are public and which are private. Some form of private security regulation have been promulgated by the Mexican federal government, every Mexican state, the Federal District, and some municipalities. The regulations vary by state to state, but many, especially those state with the most private security firms, are detailed, comprehensive, and stringent. Nevertheless, these strict regulations combined with corrupt and weak enforcement has encouraged firms to avoid registration and operate informally. As a result, between fifty to ninety percent of private security firms in
Mexico are unregulated or underregulated, thus undermining government efforts to control, monitor, and direct the industry.

Clearly, it is not enough to simply look at the strength of a state’s regulatory regime without also assessing the context within which they are created and the outcomes of their implementation.\textsuperscript{39} The Mexican case displays the downsides to strict regulations, which have given state actors the opportunity to capture the regulatory process. State actors involved in private security registration and regulation enforcement have used their authority as providers of private security permits and inspection authorizations to their advantage. These individuals act like tollbooths by providing special access to associates while demanding bribes from others. Thus, proximity to specific actors in the state can help determine one’s ability to access the formal security market.

Third, by coordinating and collaborating with private security companies and delegating some security provision responsibilities to private actors, the state can theoretically expend fewer resources to protect the populace while simultaneously maintaining its reach into society. Moreover, the state may be able increase its legitimacy and presence throughout its territory by coordinating with the private security industry to enforce the law and create order in areas where it has less access. Mexican governments have encouraged coordination and collaboration in a number of different ways, including through the passing of regulations requiring certain forms

\textsuperscript{39} For an example of this one-sided approach, see Gumedze (2007-2008).
of public – private security coordination and/or collaboration, participating in security expositions, convening informational sessions and instituting open door policies at government private security offices, meeting with private security associations, holding conferences and summits with representatives from the sector, and signing agreements with industry leaders. These efforts have largely failed, however, due to fears by authorized security firms of being tainted by links to the police. Private security providers have a financial interest in avoiding contact with unpopular and illegitimate police forces in order to protect their own reputation. We, thus, further see how difficult it is for states to positively relate to private security actors if the public police are of poor quality.

Strong efforts have been made to improve the Mexican police forces. For example, hiring criteria are stricter, training regimens have improved, more investment is being made into police equipment, technology, and infrastructure, operational and administrative procedures are being enhanced and certified, and officer salaries and benefits have increased (Sabet 2012, 210). Despite these reforms, the police continue to be plagued by numerous problems. As Sabet argues, “Even in the large cities, however, and even when the design, implementation, and institutionalization challenges have been largely overcome, advances in the above areas have been insufficient to produce an honest, effective police force protective of individual rights….these formal policies are outweighed by informal rules of clientelism and tolerance toward corruption.” (211). Without sufficient improvements to the police, the state will not be able to effectively harness the power
of the private security industry to improve its own capacity. Corrupt and illegitimate police forces discourage private security firms from coordinating their actions with the institution. Furthermore, corruption within public security departments facilitates weak, irregular, and unequal private security regulations enforcement practices, thus discouraging firms from properly engaging in the registration process.

As evidenced above, this study also helps us understand the strategies private security firms use to navigate within states possessing delegitimated security forces and the resulting lucrative political economy landscape. Private security providers are profit-driven actors; thus their actions are conditioned by the desire to obtain lucrative contracts while limiting overhead costs. Private security firms react to the state in ways that are most beneficial to their bottom line, which may not align with the interests of the state. Therefore, great care must be taken by state actors when developing and implementing policies related to the private security industry. Without the proper incentives, firms are unlikely to abide by the demands of the government.

Further avenues for research on state – private security relations abound and deserve meaningful investigation. Three specific questions come to mind that were either under examined or not addressed in this study and would likely provide fruitful information furthering our understanding of this issue. First, how does a state’s system of government affect the implementation of private security policies? As shown from this study, federal systems allow for a range of regulatory regimes and creates multiple points of contact between the state and private security providers that
may be highly variable. In Mexico, federalism has served as a detriment to private security providers who must contend with varied regulatory regimes, complicated registration processes, and elevated and duplicated costs due to fees charged in every state and some municipalities. As a result, firms tend to avoid registering with the state and instead operate as informal actors. Are registration and regulations processes smoother and less onerous in unitary systems?

Second, what role does the international community play in affecting state conduct towards private security providers? Foreign governments have convened meetings to discuss the rise of private security and efforts have been made to create global regulations for the industry. The “Montreaux Document” and the “International Code of Conduct for Private Security Service Providers” were created in 2008 and 2010 in efforts to developed unified global standards and best practices for the industry. The UN Human Rights Council in Geneva has also considered the creation of an international convention governing the private military and security sectors (Private Security Monitor). Private security regulators from different countries also hold meetings with one another to discuss issues pertaining to the sector and compare regulations. Spain is currently seen by other regulators as the standard bearer for its effective regulatory regime (Arámbula 2014). How do these international interactions and pressures to standardize private security regulation affect individual states’ approach towards the private security industry? For example, the general international consensus on private security regulations holds that they should be detailed, comprehensive, and stringent. Yet, as we learned from the
Mexican case, this type of regulatory regime may not be as effective in contexts of high corruption and weak institutions. Deeper research into the global governing of private security may shed more light on the ways in which these norms and expectations have filtered into state approaches towards the private security industry and whether this homogenized approach is truly effective for every context.

Third, how do conflicts within the private security industry affect state–private security relations? The private security sector is a highly diverse industry made up of different sized firms providing a wide variety of services to a broad clientele. These firms range from small, local companies with just a few employees to giant multinational corporations that operate all over the world. Due to their different standing within the private security field, these firms have widely varying interests that often conflict with one another. For example, in Mexico, large, highly profitable firms emphasize the need for stricter hiring and training standards for the industry and tout expensive certification programs as a means to improve the image of the industry. By improving their image, these large firms hope to increase their desirability and ability to obtain lucrative security contracts from transnational corporations operating in Mexico. According to this vision, transnational corporations will be less likely to bring their own in-house security teams to Mexico if they believe in the quality of Mexican security firms. On the other side, however, small, local firms are often more interested in reducing their costs as they operate on much slimmer margins. Stricter hiring and training standards translates into significantly higher costs for these firms, thus they tend to oppose these types of
measures. A deeper look into these inner conflicts would shed more light on how the interactions between private security providers shapes the industry’s stance towards the state and the ways in which it reacts to its policies.

The flourishing of the private security industry has created somewhat of an existential crisis for states as their defining characteristic and responsibility is increasingly being commodified and put into the hands of non-state actors. The ways in which states relate to these non-state actors will serve a major role in defining their future shape and power, thus it is essential that we continue to investigate these relationships in their myriad forms.
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