Issues
Private Security and State-Building

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Old fashioned state-builders used private security forces, either as personal adjuncts or as hired mercenaries, in their efforts to control resources. As Mancur Olson pointed out in his formulation of “stationary bandits” as state-builders, those entrepreneurs who stayed in one place provided security to productive groups of people so that they could extract more resources from their “victims”.1 Before those “victims” asserted their own interests in this relationship, this was an essentially private application of coercion, much as racketeers coerce their targets. Charles Tilly’s expression of “state-building as organized crime” shows how this private security – the exercise of coercion through the use or the threat to use violence as an element of an exclusive transaction – can lead to state-building.2

In its pure form, private security is not a public good since each person who receives protection pays for it in separate transactions. Those who do not pay can be excluded from its benefits and may even become its targets. In contrast, while state officials may show predatory tendencies, the entire community still benefits from the order that government police or soldiers provide. Of course purveyors of private security might decide that they are better off behaving like a state, as Robert Bates, Olson, and Tilly saw in the incentives for racketeers to become governments.3 But in the final analysis in this formulation, state-building and private security are integrally linked.

Contemporary experience also shows that states can evolve into private security organizations, as in the early 2000s when Liberia’s President Charles Taylor used his office to intimidate the citizens of Liberia while he managed the proceeds of a personal business empire that overshadowed internal state revenues by close

2 Charles Tilly, War Making and State Making as Organized Crime, in Bringing the State Back In 169–91 (Peter Evans, Dietrich Rueschemeyer & Theda Skocpol eds., 1985).