

## Networked security: Public police, private security and the changing shape of security governance in Papua New Guinea

*Sinclair Dinnen and Grant W Walton, The Australian National Introduction*

### Introduction

COVID-19 has highlighted the shortcomings of diverse aspects of government systems across the globe. As well as the enormous pressures placed on health sectors, a spotlight has also been shone on the national security agencies and, in particular, police organisations tasked with enforcing the raft of emergency regulations and measures introduced in response to the pandemic in many countries. In the Pacific Islands, this has placed new stresses on small police forces, some of which are seriously under-resourced and struggle to fulfil their normal workload, let alone taking on a range of additional responsibilities.

The current predicament presents an opportunity to reflect more broadly on security governance in the rapidly changing Pacific Islands region and to consider what other possibilities exist to enable these countries better meet their policing needs. While the importance of security to development is well understood by governments and international donors, security sector reform remains narrowly focused on public security services, notably police and military. Private security continues to be largely absent from reform debates despite its prominence globally and regionally. In this paper we build on an earlier paper (Dinnen 2017) that drew attention to the dramatic growth of private security in Papua New Guinea (PNG) and its significant role in that country's security landscape. Drawing on interviews with key stakeholders conducted between June 2019 and February 2020, this paper provides an update of PNG's private security sector in light of other changes that have taken place in recent years. The latter includes growing public discontent with police performance and an apparent commitment to reform on the part of a new generation of government and police leaders.

Our consideration of private security and its intersections with the police and other security actors also seeks to broaden the lens on security provision and emphasise its essentially networked character in a country like PNG. Such a perspective also strives to shift attention beyond a narrow preoccupation with the *police* as a discrete organisation, which is the traditional focus of governments and donors. Instead, we adopt a broader concern with *policing* as a set of functions or organised activities intended to promote and enhance safety and security. Policing, in this more expansive rendition, includes the actions of a range of actors whether government, private sector or, indeed, community-based, operating as part of a larger and dynamic network of security providers. A key feature of networked security is its fluid and dynamic shape and the interconnectedness between its constituent parts. Rather than hard divisions between, for example, public police and private security, or state and non-state providers, there is considerable overlap and interdependence between them in practice.

### A time for reform?

PNG Prime Minister James Marape, who assumed office in May 2019, appointed Bryan Kramer, member for Madang Open as the country's new police minister in a move that surprised many. Soon after his appointment, Kramer promised to reform PNG's police force – the Royal Papua New Guinea Constabulary (RPNGC). The one-time member of the opposition and outspoken critic of the former O'Neill government outlined a range of measures including providing more opportunities for women, addressing corruption and improving discipline in the force. He has also encouraged citizens to report crime and police misdeeds through social media.

The reformist momentum is also highlighted by a cadre of younger officers who appear genuinely committed to improving the standing of the organisation with the broader public by tackling longstanding issues of ill-discipline and brutality. Prominent among them was the former Police Commissioner, David Manning, who was vocal about the need to clean up the RPNGC, including ridding it of what he calls ‘criminals in uniform’ (Post-Courier 2020).

While the reforms promised by Minister Kramer and former Police Commissioner Manning are encouraging, improving policing and security in what is often depicted as one of the world’s most insecure countries will not be easy. The RPNGC remains massively understaffed, poorly resourced and heavily factionalised. PNG’s current police-to-population ratio – 1:1,145 – is significantly below the UN recommended level of 1:450. According to a recent study for the PNG–Australia Policing Partnership, the RPNGC faces an average recurrent funding gap of K126 million (A\$50.8m) per annum and would require a one-off injection of approximately K3.9 billion (A\$1.6bn) to enable it to deliver its service mandate (Deloitte 2020:5). Corruption within the force is another major problem. Kramer recently posted that on becoming Police Minister:

I found our Police Force in complete disarray and riddled with corruption. The very organisation that was tasked with fighting corruption had become the leading agency in acts of corruption. Add to that a culture of police ill-discipline and brutality’ (Doherty 2020).

Even if reforms can improve the performance and standing of the organisation, the country’s serious fiscal crisis, accentuated by the current global pandemic, means that reformers will also need to look beyond the RPNGC to find answers to PNG’s security problems. One possible place to start looking will be PNG’s private security industry.

### PNG’s private security industry: Growth and regulation

As anyone who has visited PNG in recent years can attest, the private security industry is ubiquitous and booming. Office buildings are often only accessible by passing rolls of sharp barbed wire, pointed fences and uniformed guards with large caps. Many who work for donors, international NGOs or foreign embassies move from one secure compound in cars tracked by security companies that deliver them to another well-guarded fortress.

The potential for abuses of power on the part of private security actors renders effective regulation essential. As the industry has grown, so too have stories of violence, theft and other misdeeds by security personnel, albeit not on the scale of transgressions attributed to the police. When it comes to regulating private security, PNG is something of a regional leader as it was the first Pacific Island country to attempt to regulate its private security sector and is currently one of only three countries in the region (along with Tonga and Fiji) to have enacted dedicated legislation for this purpose.

The *Security (Protection) Industry Act 2004* provided for the establishment of the Security Industries Authority

(SIA). Set up in 2006, the SIA has now been in existence for 14 years. Its functions under the Act include:

- granting operating licences and guard permits to security companies;
- specifying minimum standards of training and approving training facilities;
- approving security equipment other than firearms;
- ensuring that companies and guards operate in accordance with their licences and permits; and
- drafting a Code of Conduct covering discipline and work ethics in the industry.

This all sounds good in theory, however, the SIA faces a number of formidable challenges in practice. First, the agency only provides licences – and thus provides an ostensive level of regulation – to a relatively small proportion of firms. Although SIA figures from 2017 estimated that there were 219 unlicensed security companies with around 7649 security guards operating illegally, unofficial estimates from industry sources put the number of illegal operators as substantially higher than this with some suggesting up to 80 per cent of companies are operating without licences or permits. Where the SIA identifies unlicensed companies, it refers them to the Internal Revenue Commission (PNG’s tax authority) as these companies are failing to pay a 10 per cent VAT component that is payable on licence and permit fees.

Despite the SIA only covering a small proportion of the industry, it has tried to increase the number of licensed private companies. Figure 1 shows a significant jump in the number of licensed security companies between 2013 and 2014 that, according to the SIA, resulted in part, from their efforts to track down unlicensed security companies.

Figure 1: Number of licensed security companies in PNG\*

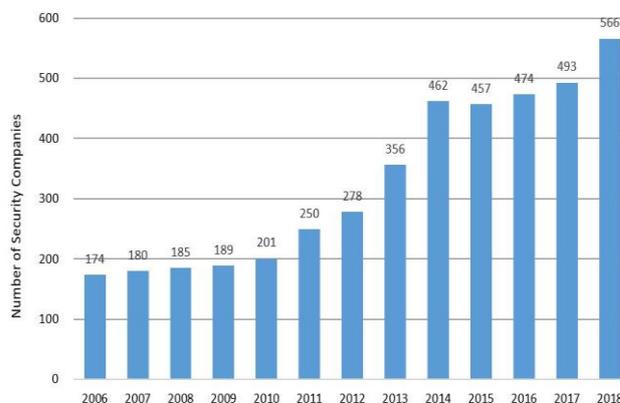


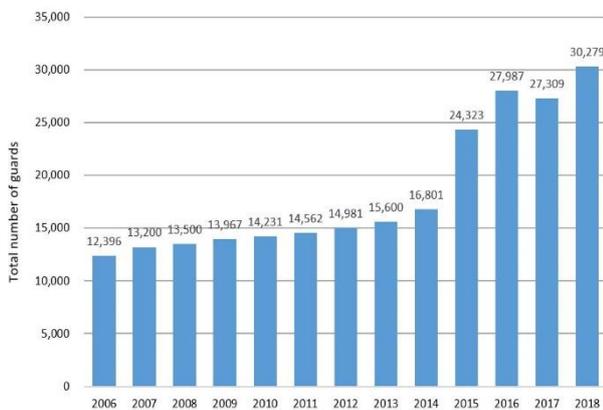
Figure adapted from Isari 2019

While the number of licensed companies has remained relatively similar over the past five years (the increase in 2018 is likely due to the enhanced security for APEC and associated construction boom in Port Moresby) the SIA hopes to increase the number of licensed companies. In

turn, it has recently opened an office in Lae (comprising two inspectors, a driver and a secretary) that is expected to cover the Momase and Highlands regions.

The SIA has a strong incentive to issue more licences: it gets to keep the fees from each company and security guard it registers. Given the profits to be made in the industry, fees are low, although they still provide the SIA with significant funding. For example, a licence for a company with over 200 employees that provides extensive security services – including armed guards and guard dogs, as well as armed escort for payroll and cash-in-transit – costs K11,000 (A\$4700) per year. In addition to their licence fees, companies are charged K22 (A\$8.90) for permits for each security guard they employ. The growth of licensed security companies and guards provides an important stream of revenue for the SIA; in 2018 it licensed over 30,000 guards – a figure that has almost doubled since 2014 (see Figure 2).

Figure 2: Number of licensed security guards in PNG\*



\* Figure adapted from Isari 2019

Despite this income, as with many other areas of state regulation in PNG, the biggest practical challenge with this regulatory framework remains the extremely limited capacity of the SIA to fulfil its designated duties. It operates out of a rundown former police building in Badili, in downtown Port Moresby, and is headed by a registrar, currently a former senior police lawyer. The SIA has a staff of around 14 people, which include four regional security inspectors who are each responsible for one of PNG's four regions (Momase, Highlands, New Guinea Islands and Southern). The New Guinea Islands and Southern regions are serviced from Port Moresby. These resources are woefully inadequate given the rapid rate of growth of the industry. It is simply not realistic to expect one inspector to regulate the industry in each of PNG's four extensive and topographically challenging regions.

It is not surprising that many security experts express frustration that the SIA is not living up to its mandate. For example, many bemoan the lack of or inadequate training for security guards, as well as the SIA's limited powers of enforcement in the face of non-compliant operators. There is, perhaps, a glimmer of light at the end of this poorly regulated tunnel. Amendments to the Security (Protection) Industries Act have been proposed by the SIA to cater for

technological developments in the industry such as the growth of electronic security, and surveillance and tracking technology, to extend regulation to foreign security consultants and advisers working in PNG, to increase fees, and to empower the regulator to prosecute offending companies. While these amendments are welcome, implementing them is likely to prove challenging. This is particularly because many believe the weakly regulated nature of the industry benefits many PNG elites (including politicians) who have financial and other interests in this expanding and highly profitable industry.

Internationally, there also exist a number of voluntary codes and agreements that provide another potential source of regulation for private security companies. These instruments are intended to supplement State legal oversight of private security providers in the countries where they operate. The most relevant is the International Code of Conduct for Private Security Providers (ICoC) launched in 2010 (Buzatu 2015). The code is articulated in terms of human rights principles, including in areas such as use of force, detention, identification and registration, personnel vetting, record keeping, weapons management and training, and incident reporting. It was designed to apply in complex security environments, such as post-conflict or following natural disasters, where the domestic capabilities are limited. While primarily drafted with private military contractors in mind, membership of ICoC is open to different kinds of private security companies. An International Code of Conduct Association was established in 2013 as a mechanism to provide independent governance and oversight of member companies. Members of the Association comprise private security companies, civil society organisations and states. Its main tasks are:

- a. the certification of companies under the code;
- b. human-rights-oriented monitoring of company performance; and
- c. supporting member companies to address claims alleging violations of the code.

While development of transnational forms of regulation such as ICoC remain at a relatively early stage, the most obvious limitation with such codes is their voluntary character. Other sceptics point to the risk of such mechanisms becoming dominated by powerful industry interests (MacLeod 2015). On a more optimistic note, membership of ICoC can also become a valued mark of differentiation in a notoriously competitive industry, whereby companies can flaunt their membership of this global framework as a sign of quality assurance to competitors and, significantly, potential clients. In this regard, the United Nations now require membership of ICoC as a mandatory requirement for the hiring of private security providers by UN agencies. It is likely that other international organisations and governments will follow. Guard Dog Security (GDS), PNG's largest nationally-owned security company, achieved membership of ICoC in 2020, becoming the first local company in the Pacific Islands region to do so. Its membership is now prominently displayed on the company website. In a recent interview with the authors, the GDS Chief Executive Officer indicated that becoming a member highlighted and

reinforced the company's stature and reputation as an industry leader in PNG and the broader region.

## **Networked security in Papua New Guinea**

With its notoriously under-resourced and thinly-spread police force, researchers Craig and Porter 2018; Walton and Dinnen 2019; Forsyth and Hukula 2019 have argued that innovative responses to Papua New Guinea's security problems are needed. Much of this analysis has focused on the importance of unofficial policing coalitions of State and community-based actors that operate in many parts of the country (Craig and Porter 2018; Forsyth and Hukula 2019). Given the resources available to PNG's booming private security sector, we argue that they constitute another key node in these networks of security providers and below briefly indicate the intersections between these private firms and other security actors and organisations.

**Private security and the police:** A close and increasingly interdependent relationship already exists between the police and elements of the private security industry and is most evident in PNG's main urban centres. The larger companies are involved in many of the same kinds of policing activity as their uniformed colleagues, including crime prevention, investigations and responding to incidents. Senior company managers often have police backgrounds and maintain strong networks within the RPNGC. Some companies are reputedly owned by retired senior police officers, and there are rumours that some serving officers have active interests in particular firms. Although not as prevalent as in a country like South Africa (which is often looked to for its extensive experience of private security and serious security challenges), some company employees are also reserve constables in the police, wearing uniforms and exercising the same powers as regular officers in this part-time capacity.

Relationships between individuals in the private sector and the police are widely acknowledged as mutually beneficial. Some larger operators provide food, help buy uniforms, supply fuel and maintenance for police vehicles, and, sometimes, allowances when working together. Informal networks facilitate critical intelligence sharing. Superior resources available to high-end private operators include sophisticated communications, surveillance and tracking systems that are unavailable to the RPNGC. It is a two-way street. Private providers are also reliant on police support when they apprehend suspected offenders or face violent confrontations in the course of their work. However, relationships between these two groups can occasionally deteriorate, with some industry insiders recounting instances of confrontation, sometimes violent, between the RPNGC and private security.

**Private security and communities:** While private security firms provide their services for a fee, more established operators seek to maintain strong and enduring relationships with their surrounding communities. Again, there is a powerful element of self-interest and mutual benefit. In urban contexts, firms want a secure base from which to

operate from and where many of their employees reside. We know of one security operator that delivers community awareness around security issues and provides water to the adjoining settlement during times of drought. Some companies provide sports equipment to local youth. Surrounding communities are also an important source of criminal intelligence and potential recruits.

While the character of relationships vary within and between urban centres, different dynamics are evident in interactions between communities and security companies in rural areas. This is particularly so in the case of landowner-owned security firms working around extractive, usually mining, projects. While offering potentially lucrative rewards and a welcome source of employment in underdeveloped regions, the kinship and other ties binding such companies and the communities in which they operate can lead to social complexities and challenges not encountered in the more heterogeneous and impersonal urban setting. For example, the employment of fellow tribesmen/women can make disciplining and managing employees difficult. As a result, some landowner security companies chose to partner with international or other 'outside' firms to help manage these issues.

**Private security and politicians:** It is widely believed that members of the political elite are strongly invested in the private security industry. For example, MP for Lae Open, John Rosso, is a reserve police chief sergeant and owner of Executive Security Services (ESS), with a current workforce of over 1500. Rosso started ESS before he became an MP in 2017. While social media is awash with rumours connecting PNG's politicians, including former Prime Minister Peter O'Neill, to particular security firms, the exact number and nature of the connections are often hazy. However, there is no doubt that owning a security company can aid some political hopefuls. Employing large numbers of constituents can help guarantee votes, particularly in areas with few other employment opportunities.

Some claim politically aligned firms are more likely to receive government contracts. It is also likely that firms involving politicians are more likely to be paid as MPs are in a better position to squeeze money out of an increasingly cash-strapped government than others. Indeed, our conversations indicate that many private security firms without political connections refuse to bid for government contracts because they worry they won't get paid. On the other hand, political instability can mean companies that are closely aligned with political powerbrokers risk losing their advantage, with changes in government and political leadership contributing to the noticeable fluctuations in the fortunes of a number of well-known companies.

**Networks within and between private security companies:** The array of private security firms in PNG vary considerably in size, services offered and the geographic spread of their operations. They range from small-scale local companies with one car and a few guards through to substantial multinational companies with a global reach. The latter can draw on an impressive array of transnational ideas, resources and cutting-edge technologies. For example,

G4S Secure Solutions (PNG) is part of the largest security company and one of the top three private sector employers in the world with over 570,000 employees globally and contracted sales of over US\$9.76 billion (A\$13.40bn) in 2019 alone (Bizvibe 2020).

While transnational connections within companies can shape security provision, relationships between private firms operating within the country can be fractious. There are occasional attempts to encourage information sharing and cooperation; however, private security firms are often fiercely competitive. We have heard numerous accounts of physical altercations involving guards from rival firms. This can happen when a business or government department replaces one security firm with another. When guards from the ousted security company lose their job, some take their frustrations out on the newly employed guards.

In sum, while many think of private and state security as separate, our preliminary findings suggest that the private sector is thoroughly integrated within PNG's broader security network. It is this broader network, comprising ever-shifting relations between different providers that determines the nature of security governance in PNG. In turn, if we are to move beyond the same old approach to police support that has been relied upon for the past three decades with singularly modest results we need to begin by acknowledging and responding to the networked reality of security provision in PNG.

### **Are private security firms the answer to crime in PNG?**

While acknowledging the importance of private security firms for PNG's security landscape, there are three key challenges in attempting to engage with private security organisations. First, private providers are highly exclusionary. The industry is most visible in PNG's rapidly growing towns and cities where government, business, and private wealth are concentrated. PNG's prolonged natural resources boom in recent years has been a catalyst for growth, with a number of companies also operating in rural areas where the major extractive projects are located. PNG's hosting of APEC in 2018 provided another major, albeit temporary, boost to the industry. As illustrated by the Paladin case, Australia's off-shore detention facilities on Manus Island have been a particularly lucrative opportunity for a succession of private security companies (Knaus and Davidson 2019). In other words, these providers currently privilege powerful state and business interests over the security of ordinary citizens. Re-incentivising private providers to improve public security will not be easy and, indeed, might prove to be an insurmountable challenge.

Second, as we have outlined the industry is poorly regulated. As well as reputable companies, both foreign and locally-owned, the industry has attracted its fair share of cowboys and fly-by-night operators. PNG presents a particularly challenging environment for those companies that strive to operate by the stated rules. Fierce political rivalries and nepotism play a significant role in decision-making

around the allocation of government and other major contracts. The more established companies strive to do the right thing and have been lobbying government for a more transparent and effective regulatory framework. For others, however, playing by the unspoken rules of the political game remains a more attractive and profitable option.

Finally, although extensive interaction between police and private security occurs in practice, there are concerns around encouraging further collaboration. These include sensitivities about private providers encroaching further on areas that many believe should remain the exclusive preserve of public police; concerns that the growing prominence of private providers diverts attention away from the need to strengthen the police; and perceptions that public-private security collaborations tend to privilege business interests over those of ordinary citizens.

While there are many potential risks, policymakers would benefit from better understanding this burgeoning sector. As attested by its global growth, private security is here to stay. In acknowledging the inherently plural character of security provision in PNG, policymakers should explore whether the strengths within the private security industry might compensate for the weakness of the RPNGC, and vice versa. For example, PNG's police could benefit from better access to the resources, skills, technology and intelligence of large private security companies. The RPNGC and private firms already cooperate informally. Could the industry and government develop regulatory and operational frameworks that allow police and private firms to work together under certain circumstances, with mutual benefit for both?

Ultimately, our focus needs to be on improving security outcomes for all Papua New Guineans, including its most vulnerable citizens. While seeking to strengthen the struggling police remains a critical priority, exploring other options in PNG's fluid and changing security landscape should not be denied because of a narrow devotion to one institutional form.

### **Conclusion**

While PNG's law and order challenges are long-standing, the COVID-19 pandemic and changes to the country's security leadership provides an opportunity to rethink the country's security landscape. Drawing on preliminary conversations with PNG-based security companies, we suggest the role of private providers in PNG's networked security landscape will be crucial for reframing more effective and sustainable approaches to improving security provision in the country. Despite challenges around regulation, both national and transnational, and the sometimes fractious relationships between private security organisations and others, there is potential for greater and strategic collaboration between the private security industry, police and community organisations. The question now is how to best support these collaborations in ways that are low risk and provide greater security for PNG's population, particularly the poor and marginalised.

## References

- Bizvibe 2020, 'Top 10 largest security Companies in the World 2020', Top Security Companies|Global Security Market, <https://www.bizvibe.com/blog/top-security-companies>
- Buzatu, Anne-Marie 2015, 'Towards an international code of conduct for private security providers: A view from inside a multistakeholder process', The Centre for the Democratic Control of Armed Forces, Geneva, <https://www.jstor.org/stable/j.ctv6zdbkk>
- Craig, David and Doug Porter 2018, 'Safety and security at the edges of the State: Local regulation in Papua New Guinea's urban settlements', *World Bank*, Washington.
- Dinnen, Sinclair 2017, 'The inexorable rise of private security in Papua New Guinea', *Development Bulletin* No. 78, August 2017, 63–66.
- Dinnen, Sinclair and Grant Walton 2019, 'Networked security in Papua New Guinea', *Devpolicy Blog*, October 16, <https://devpolicy.org/networked-security-in-papua-new-guinea-20191016/>
- Deloitte 2020, 'True cost of policing services in PNG', Final Report, January 2020.
- Doherty, Ben 2020, 'Papua New Guinea police accused of gun running and drug smuggling by own minister', *The Guardian Online*, Australian Edition, 18 September 2020. <https://www.theguardian.com/world/2020/sep/18/papua-new-guinea-police-accused-of-gun-running-and-drug-smuggling-by-own-minister>
- Forsyth, Miranda and Fiona Hukula 2019, 'The potential of policing coalitions in PNG', *Devpolicy Blog*, September 9, <https://devpolicy.org/the-potential-of-policing-coalitions-in-png-20190909/>
- Isari, Paul Kingston 2019, 'How the Security Industries Authority (SIA) is supporting the security companies address law and order issues in PNG', presentation to CIMC conference, 15 July 2019, Popondetta, PNG.
- Knaus, Christopher and Helen Davidson 2019, 'Former PNG official warns Paladin scandal undermining corruption fight in Pacific', *The Guardian*, 21 February, <https://www.theguardian.com/world/2019/feb/21/former-png-official-warns-paladin-scandal-undermining-corruption-fight-in-pacific>
- MacLeod, Sorcha 2015, 'Private security companies and shared responsibility: The Turn to multistakeholder standard-setting and monitoring through self-regulation – “Plus”', *Netherlands International Law Review* 2015, 62, 119–140.
- Post-Courier* 2020, Manning To Rid Constabulary of 'Criminal In Uniform', *Post-Courier* online, September 10 2020, <https://postcourier.com.pg/manning-to-rid-constabulary-of-criminals-in-uniform/>
- Walton, Grant and Sinclair Dinnen 2019, 'Part of the solution or part of the problem? Private security in PNG', *Devpolicy Blog*, July 4, <https://devpolicy.org/part-of-the-solution-or-part-of-the-problem-private-security-in-png-20190704/>