Reforming the Administration of extra-departmental security service in the context of development of the market of security services

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Throughout the last 20 years, the role of the private sector in the sphere of security services has been on the rise globally. These changes are connected with the increase of the demand for private security, transformation of functions of the police, and the global tendency of privatization of the public sector. In Russia, the demand for private security is also explained by the crime dynamics, low quality of work of the law-enforcement organs, and the sense of insecurity felt by the population, as well as the growing need on part of the businesses to ensure the safety of their property.

Security services in Russia are provided by organs of extra-departmental security affiliated with the Ministry of Internal Affairs, private security enterprises, departmental security services (Russian Railroads, Rosatom, Ministry of Finance and similar organizations). Aside from that, a part of functions connected with provision of security, are fulfilled by numerous non-licensed and non-registered representatives of services of administrators and porters etc. In total, over 1,2 million people are involved in provision of security services. The largest player on the market is the system of departments (administrations) of extra-departmental services, amounting to 27 percent of the employees.

The functioning of the extra-departmental security services as a player in the market of private security services reflects its ambiguous status within the system of organs of internal affairs. On the one hand, it is a sub-department of a federal organ of executive power. On the other hand — one of its primary functions is provision of paid services to the population. At the same time, its specific function, i.e., combating crime, remains unfulfilled. In total, the number of employees of various Extra-departmental Security Directorates (including the civilians) amounts to 210 000. This staff constitutes 19.1% of the total police force, but is only responsible for uncovering 4.3% of the crimes.

From 1993 to 2004, the Extra-departmental Security Directorate worked according to the principle of self-sufficiency, which allowed it to create the best human resource and technical base in the Ministry of Internal Affairs. Beginning from 2004, organs of extra-departmental security service have worked within the estimated budget system, and have no longer been able to manage the earned money. As a result, budgetary expenditures for maintenance of the extra-departmental security services exceed by more than 10 percent the money that enters the income part of the budget.

At the same time, organs of extra-departmental security destroy competition in the market of private security services. Changes in laws regulating the activities of private security services allowed extra-departmental security services to score an advantage. (Explain more clearly here how the advantage was gained) In the market of security services by means of creating economic and administrative for enterprises of privet property. Aside from that, employees of extra-departmental security services have the status of police staff, and enjoy more authority than employees of private security services.

Therefore, departments of extra-departmental security services destroy competition, blur the functions of the police, and are not economically profitable for the budget. There is a need for an urgent and radical reform of this system. There are two ways of reforming the Extra-departmental Security Directorate. First of all, in case the discussion on municipalization of the police is renewed, an effective step would be to hand extra-departmental security services over to the municipal organs. A more radical way entails withdrawal of the extra-departmental security services from the Ministry of Internal Affairs, its transformation into a joint-stock company, and subsequent full privatization.