



## China's Effort to Secure Strategic-Economic Project: Utilization of PSC to Secure Belt and Road Initiative

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### Abstrak

*Keberadaan Industri Militer/Keamanan Swasta telah tumbuh secara pesat—dengan perkiraan akan terus tumbuh hingga tahun 2028. Tidak terkecuali dengan Tiongkok, terlebih lagi dengan adanya proyek Belt and Road Initiative (BRI) yang merupakan proyek ekonomi-strategis Tiongkok. Proyek BRI ini tergolong ambisius, namun tidak kebal, dengan banyaknya permasalahan yang muncul di lapangan dalam kaitannya dengan keamanan. Risiko-risiko keamanan, dan bahkan serangan ke aset, proyek, dan para pekerja BRI di luar negeri sudah beberapa kali terjadi—yang kemudian membutuhkan respon dari Pemerintah Tiongkok untuk menghadapi hal tersebut. Tiongkok tidak dapat menurunkan militernya, karena terhalang oleh prinsip Non-Interference, Tiongkok kemudian menemukan cara lain untuk dapat tetap 'Eksis' namun secara low-profile dengan penggunaan Private Security Companies (PSC) domestik untuk mengamankan proyek ekonomi-strategisnya (BRI). Tulisan ini merupakan penelitian eksplanatif yang mencoba untuk mengungkap fenomena yang terjadi dengan menggunakan kerangka pemikiran yang ada. Penulis berargumen bahwa PSC swasta Tiongkok berkontribusi langsung terhadap penjagaan aset dan pekerja BRI, yang kemudian memunculkan temuan dan tren baru dalam Industri Militer atau Keamanan Swasta yaitu PSC with Chinese-Characteristics.*

**Kata kunci:** Industri Militer/Keamanan Swasta, Belt and Road Initiative, Non- Interference, Private Security Companies, PSC with Chinese-Characteristics

### Abstract

The existence of the Military or Private Security Industry at the moment is very sporadic and massive—with an estimate that it will continue to grow until 2028. China is not an exception, particularly in light of the initiative known as the Belt and Road Initiative (BRI), which aims to increase connectivity. The Belt and Road Initiative (BRI) is a highly ambitious undertaking, but it is not immune to the numerous issues that have emerged, particularly with regard to security. There have been multiple threats, and even attacks, against BRI projects and workers; as a result, China has had to take steps to resolve the issues. China eventually discovered a low-key means to 'exist' after ceasing to utilize its military due to restrictions imposed by the concept of non-interference. This paper is an explanatory research that tries to reveal the phenomenon that occurs by using the existing conceptual framework and operationalization of concepts. The hypothesis then is that the Chinese PSC contributes directly to safeguarding BRI assets and employees, which then gives rise to new findings and trends in the Military or Private Security Industry, namely PSC with Chinese-Characteristics.

**Key words:** Military/Private Security Industry, Belt and Road Initiative, Non- Interference, Private Security Companies, PSC with Chinese-Characteristics.

## INTRODUCTION

Private security companies (PSCs) have become increasingly prevalent in the security sector, particularly in regions experiencing armed conflict (Zadzorova, 2020). They offer a range of services, including security intelligence, risk assessment, and crisis response. However, their use in the maritime sector, particularly in the fight against piracy, has raised concerns about their effectiveness and long-term sustainability. PSCs also play a role in shaping understandings of security issues, projecting images of professional security expertise. The use of private security companies in Russia and the USA is a complex and evolving phenomenon. In Russia, these companies are used to further foreign and security policies, with a focus on strategic advantage over the US (Giedraitis, 2020). The industry is also utilized for clandestine warfare, with ambiguous ties to the Kremlin (Bukkvoll & Østensen, 2020). In the US, the use of private security companies is more defensive in nature, with a focus on international normative stances (Spearin, 2018).

Private Military/Security Companies are a way for China to secure the Belt and Road Initiative (BRI) project. China, which is currently under the leadership of Xi Jinping, has very big ambitions with the BRI project. The project targets countries with good economic and investment potential like Southeast Asian countries, according to Nairobi & Kenita (2021) countries in Southeast Asia have stable economies and have economic resilience in the face of challenges from the global environment. However, in reality, this project is not immune, because there have been several attacks and security threats at several BRI route locations, so rationally BRI needs a capable security design. A strategy has then been implemented to secure the project. According to Yau & Van Der Kley (2020), the Chinese government has several strategies to secure projects outside the country. These strategies are: (1) Ensure local security services are able to protect the project, (2) Encourage companies to take partial responsibility for looking after their workers, (3) Using security services from China Security Company, (4) Use the help of the Chinese Police (People's Armed Police) if you are really pressed.

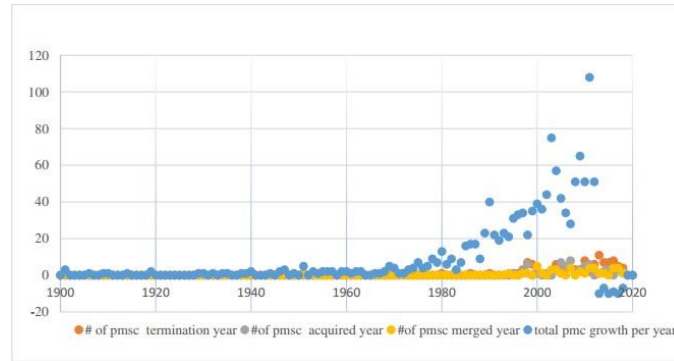
The growth of China's private security companies (PSCs) has been driven by the need to protect Chinese economic interests abroad (Yuan, 2022). However, the legal and operational constraints faced by these companies have been a significant challenge (Yuan, 2022). Despite these challenges, the potential of Chinese security and guard services companies (SGSCs) as overseas security providers is recognized, particularly if domestic laws and policies become more favorable (Zhu, 2020). The role of PSCs in protecting Chinese enterprises and citizens abroad is increasingly important (Tian, 2020). The development of these private security initiatives in China is a complex process, influenced by the coexistence of state and traditional policing mechanisms (Guo, 1999). Based on a study of private security companies over the world and mainly about PSC in China, there is a research gap that has not been examined by other researchers, which is the study of PSC that is focused on Belt Road Initiatives (BRI) project. Hence, this paper conducted to fill this research gap.

The point first strategy approach has so far failed because there are many limitations for partner countries—especially for countries that tend to be unstable, to be able to provide security. Then, for point 2, Chinese companies only have commercial interests, and tend to depend entirely on the Chinese government to provide security. Currently, the BRI phenomenon and its security needs are only at point 3, with the use of its Military/Private Security Industry - which will then be discussed in this article. The last two decades are evidence of increasingly massive growth in the Military/Private Security Industry. It is not known at this time the number of PMSCs worldwide, but based on Vantage Market Research (2022), in 2021, the Military/Private Security Industry will have a value of 241.7 Billion USD, or the equivalent of 3.8 Trillion Rupiah—and is projected to reaching 366.8 billion USD, or the equivalent of 5.9 Trillion Rupiah in 2028.



Figure 1. PMSC Industry Value Growth Estimates in 2021-2028  
Source: Vantage Market Research (2022)

In 2003, there was massive growth in the Military/Private Security Industry, even doubling from before. Previously, there were only 38 companies in 2001, which then became 79 companies in 2003. This was due to the conflicts in Iraq and Afghanistan, which then created a lot of demand. This conflict was a major turning point in the revival - even citing (Swed & Burland, 2020), the number of private militaries from the PMSC had double the size - around 400,000 people, compared to the total number of United States troops which only numbered around 200,000 people.



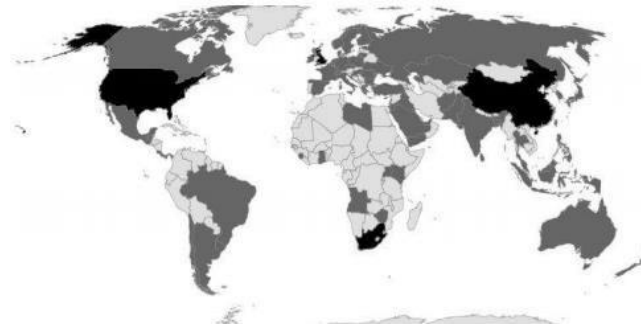
**Figure 2. Growth of PMSCs Worldwide**

Source: Swed & Burland (2020)

The decreasing conflict tensions in Iraq and Afghanistan then caused many PMSCs to experience mergers, acquisitions or bankruptcy due to shortages and decreasing demand in the industry. Nevertheless, the growth of the Private Military/Security Industry did not stop after the conflicts in Iraq and Afghanistan - because at that time, many parties became increasingly aware of security needs. The proof is that looking at Figure 2, 2011 was the culmination point of the industry's growth with the addition of 120 new companies. Until finally, in 2011 and after, the Military/Private Security Industry began to decline until 2020.

Most PMSCs in the world are in countries that are militarily advanced. Like a company, PMSC is officially registered as a company with legality, hierarchical structure, official website and others. Most PMSCs carry out open recruitment, and are usually filled by former military or workers and security guards, even according to Tonkin (2011), former elite military such as Rangers, Delta Force, Seals, and SAS are also said to join PMSCs—so it could be said that This industry is also filled with people who are capable and specialize in the security sector.

With open and contractual recruitment, most PMSCs utilize systematic outsourcing to then expand their services to other countries. Until finally, based on the work of Swed & Burland (2020), it can be seen that 81 countries in the world - around 41% of the total of all countries in the world - are PMSC headquarters. Most PMSCs are in the North—such as North America, Europe, Russia, Australia and New Zealand. Then, around 70% of the Military/Private Security industry is held by four countries—namely the United States, Great Britain, China and also South Africa.



**Figure 3. Distribution of PMSC Headquarters Globally**

Source: Swed & Burland (2020)



China, which is currently a major economic power in the international world, is also experiencing dynamics in its actions - not least in the context of the existence of its domestic military/private security industry. As a future explanation, the conception of PMSC in this paper is then separated to avoid misconceptions. As previously explained, the Military/Private Security Industry consists of several types of companies. In the case of China, PMCs and other types of companies are prohibited by the Chinese government on the grounds that PMCs weaken the state's monopoly in the context of military use. Therefore, in China, only PSC industries are allowed to establish—as explained in the Security Services Administration Law of 2009 (Yuan, 2022).

China, which is currently very massive and expansive, especially in the context of many economic, investment and development interests in other countries, has made PSCs have a lot of demand to be able to meet the security needs of Chinese assets and workers. Based on data from the US Department of Security and US Congress, according to Markusen (2022), it is stated that there are 40 Chinese PSCs operating in more than 40 countries and it is estimated that there are 7,000 domestic private military contractors. With this phenomenon, an interesting proposition emerges in the context of International Relations studies—namely that China's expansionism is directly proportional to its dependence on its PSC industry. Commander of US Forces in Africa, General Thomas Waldhauser said on February 7 2019 during a hearing in the US Senate - that usually, the Chinese bring the 'Money' and the Russians bring the 'Physics' (Translated: the Chinese bring the money and the Russians bring the muscles ), but at this time, with the existence of China's PSC, it is said that China brings 'Money' and 'Physics' at the same time.

Many experts see a new phenomenon in the Military/Private Security Industry, if they look at the case in China - because unlike the United States or Great Britain which use PMSCs for offensive military actions, China does the opposite. China gave rise to a unique and new phenomenon due to the use of Industry Private Security/Military with its PSC is used to provide security for projects and workers in Belt Road Initiative (BRI) projects. The BRI project by China is one of the Economic Statecraft tools with the main goal of connecting more than 70% of the world's population—and connecting 55% of the world economy. The country which is currently under the leadership of Xi Jinping is starting to have to think about more ways to ensure that all of these things are achieved, especially in relation to security, because China is expanding with infrastructure development and investment in countries that tend to be unstable and conflictual, as well as filled with many problems of extremism, terrorism and others (Spearin, 2018). Based on the work of Yuan (2022), the BRI project is an investment that has a high level of risk—because the main routes in the BRI are traversed by countries that tend to be unstable. In his work, he said that between September 2001 and 2017, there had been around 77,000 terrorist attacks in 60 countries on the BRI route.

In relation to the BRI project, based on data from the Chinese Ministry of Commerce and the Chinese Ministry of Defense, in the period 2015 to 2017, 350 incidents occurred along the BRI project route, due to increasing anti-China tensions in several countries and other reasons. Actions that often occur are Chinese workers being suddenly kidnapped and asked for ransom (Kidnapping and Ransom (K & R))—especially in vital infrastructure such as oil, construction and mining.

As a concrete example, in 2012, 29 Chinese workers were kidnapped in Sudan and then another 25 Chinese workers were arrested in Egypt. Then in June 2014, at the BRI Afghanistan project, there was a large explosion that killed 14 Chinese workers and injured 3 other workers. Furthermore, on November 20, 2015, three high-ranking executives from the Chinese Rail Construction Company were kidnapped and murdered at the Bamako Hotel, Mali. Then, in Pakistan itself, which is one of the BRI megaprojects, often faces attacks from insurgency and separatist groups. The most recent examples are at the Chinese Consulate in Karachi and at the Chinese Stock Exchange in Karachi (Yuan, 2022).

BRI is not immune and is protected from major risks - because a series of events have begun to occur, namely Chinese companies, national assets or their workers have become targets of attacks. Given this, it is rational that BRI needs a security solution - which in the case of this article, is the use of domestic PSC. The proof is in the existence of Article 78 of China's National Security Law in 2015, which essentially states that all organs and non-state actors in China can work together to provide and guarantee the security necessary to achieve China's national interests.

In contrast to the US, China is not involved in many major conflicts internationally—so there is no need for logistical or military assistance with its use of PMSCs. However, China has security needs to protect its assets and workers in the BRI project which makes the use of PSCs increasingly massive - especially in several vulnerable countries such as Afghanistan, Iraq, Egypt, Libya, Pakistan and others. The real evidence is as follows, there are several private security companies that openly state that their companies provide security for BRI projects. From the background of the problems and phenomena described above, this



research will focus on answering the question **'Why is PSC used by China as an effort or tool to secure its economics-strategic assets and workers in the BRI project?'**.

## METHOD

This research uses qualitative research methods with literature study data collection techniques, as defined by Zed (2008) as a way to utilize existing sources to obtain research data - which then in action carries out the process of reading and evaluating the sources. used. The data sources used in this research are secondary sources such as books, journal articles, reports from related institutions, and mass media. The type of research used in this paper is explanatory research—because it seeks to explain phenomena that occur in security discourse. Based on the work of Gray (2014), explanatory research aims to explain the reasons and causes of a phenomenon by providing existing evidence. In essence, explanatory research attempts to analyze the causal relationships that occur in a phenomenon

## RESULT AND DISCUSSION

### ***BRI as 'Hard and Soft Infrastructure Dimensions to Economic Statecrafts'***

In its definition, Economic Statecraft according to David Baldwin (1980) in the work of Kostecka-Tomaszewska & Krukowska (2021) Tomaszewska and Krukowska (2021) is a way for the government of a country to gain influence by utilizing its economic resources. Then, Reilly (2013) carried out a redefinition to find a narrower meaning - later saying that Economic Statecraft is a tool with an economic dimension used by the government of a country to spread and expand its influence in pursuing its foreign goals. Through Economic Statecraft, countries can influence and even manipulate other countries to achieve their foreign goals.

In the case of China, the economic dimension is one of the crucial aspects that maintains the integrity of the regime and the stability of the country - so China is trying to secure its economic prospects in the future by one way of expanding its economy outside its country. China then tries to access natural resources and markets in other countries by taking advantage of its position and advantages to cooperate with other countries. China's reason for carrying out this economic expansion is a pure act of mercantilism - because it has a clear goal, namely seeking profits, trying to secure its investments while spreading its influence to then gain access to natural resources and markets in other countries (Kostecka-Tomaszewska & Krukowska, 2021).

In the Xi Jinping era, China's use of Economic Statecraft became increasingly stronger—especially with the megaproject called BRI. BRI is not a low-profile project, because China is trying to make it a masterpiece in the international world by creating cross-border megaprojects with the aim of establishing international connectivity. Of course, China has many advantages and advantages in its resources—especially the economy is also fully controlled by the state, which will then make it easier to mobilize capital, so that Economic Statecraft can be carried out easily.

In recent years, scientists studying International Relations and International Political Economists have carried out analyzes of the BRI and found that the BRI megaproject - which focuses on connectivity - is one of China's Economic Statecraft tools. The main analysis is that the development of connectivity in the BRI project is China's way of gaining influence in the international world by using the development of Hard Infrastructure such as ports, roads, toll roads, railways and others. Then, along with the dynamics of the discussion regarding BRI, it was discovered that China was not only using Hard Infrastructure, but also using Soft Infrastructure such as investment, and financial institutions such as the Asian Infrastructure Investment Bank (AIIB) and others (Petry, 2023).

In further explanation in Petry (2023) work, Hard Infrastructure clearly connects existing countries and regions so there is no need to explain further because it has been clearly proven in form and appearance. Then, what becomes the focus is that Soft Infrastructure is also an equally important tool in China's use of Economic Statecraft. The difference is that the use of investment dimensions and financial institutions in the BRI project is to create a financial structure which then activates investment in the BRI project (Investment Opportunities), by bringing investors, Chinese state-owned enterprises, and the Chinese government to open investment (Investment Structure) which will then forming a new market in the destination country or region (Investment Rules) (Petry, 2023). In essence, BRI, which is China's megaproject with the main goal of building connectivity, is one of the Economic Statecraft tools that focuses on infrastructure development—both Hard Infrastructure and Soft Infrastructure.

### ***Privatization of Security as a Solution to Dilemmas and Limitations of Military Use for China***



China cannot fully rely on its military to guard and provide security for its economic interests in the BRI project. Then, China used the phenomenon of security privatization—with the use of its domestic PSCs to then become the main substitute for its military. Then, China's use of PSC is analyzed for several reasons, based on the work of Markusen (2022), namely: (1) *Eliminate bad perceptions in the domestic community* - it is said that China's use of PSC is used primarily to divert negative perceptions of its military presence. PSC is used by China to obscure the country's involvement militarily—but in fact China can still exist to provide protection with its use of PSC. (2) *Denying the existence of China which is considered to have geopolitical goals* - with the intention that if China's military is deployed directly, there will be a perception that China has geopolitical goals. On the other hand, BRI is a mercantilist project - without any political interests in it, so the use of PSC is a way to eliminate this perception. (3) *'Circumventing' its domestic principles or legality* - because as already mentioned regarding the Non-Interference principle, China tries not to be proactively involved, so as to break and 'Circumvent' this principle with the use of PSC (4) *Cost savings* - because if many countries directly reduce their military, it will cost a lot. By using a PSC that utilizes systematic outsourcing, the financing aspect can be reduced, but still does not reduce the effectiveness of providing security.

### **PSC with Chinese-Characteristics and its Importance**

The use of security privatization in the international world can provide different goals for each actor who uses it. An example is for First World countries that have military advancements, utilizing the phenomenon of Security Privatization by using their Military/Private Security Companies is intended to avoid the use of their own military and to maintain their country's good name in the international world - as well as to protect their national interests in other countries, without having to involve military directly. Then for countries that have poor government and social conditions, use private military/security companies to increase their security capabilities. Then, for companies that expand outside their country, the use of Private Military/Security Companies can be a way to protect their investment - if they are in less safe areas (Kramer cited in Arduino, 2018). In essence, exploiting the phenomenon of Security Privatization, by using Private Military/Security Companies serves many purposes - later in this article, it is explained that China uses its domestic industry for the benefit of safeguarding its assets and workers in the BRI project.

To begin with, it was mentioned in the previous section that the Private Military/Security Industry in China has no direct affiliation with the government—because its main motivation is to seek profit. Moreover, unlike the US which has a Military Industrial Complex (MIC), China does not have strong ties between the government, security industry and party. However, based on c, currently, the Chinese Ministry of Foreign Affairs has begun to be given the task of taking responsibility for protecting Chinese assets and workers in other countries. Therefore, China has begun to actively make efforts to provide imperative regulations related to providing and guaranteeing security.

An example is the existence of regulations that establish the security framework for PSC as an industry in China which occurred in 2018 with the existence of 境外中资企业机构和人员安全管理指南 (Translated: *Jìngwài zhōng zī qǐyè jīgòu hé rényuán ānquán guǎnlǐ zhǐnán*, Protection Management Guidelines for Overseas Companies). The 170-page guide contains how Chinese companies should act when seeking to invest or develop overseas—including risk management and the use of domestic PSCs to provide additional security if needed by a Chinese company abroad.

In detail, the guide released by the Chinese Communist Party contains three important points related to Chinese projects abroad. The first is that since 2018, the PSC is an inseparable part of the 一带一路国家安全情报融合制度体系 (Trans: *Yīdài yīlù guójiā ānquán qíngbào rónghé zhìdù tǐxì*, BRI Security and Intelligence Systems). With this system, based on a Government-Led Multiparticipation basis, the PSC is also obliged to participate in collecting intelligence, especially what happens in the destination country - which is then reported to the local Chinese Embassy (Yau & Van Der Kley, 2020).

The second important point in the guide - which then becomes unique for the Military/Private Security Industry - is that China prohibits dominant ownership of such companies, in the sense that 51% of the ownership of a PSC is owned by the Chinese government. This then became unique because of the use of the word 'Private', but in practice, China has dominant ownership of Private Military/Security Companies. Then the final important point in the guide is that every Chinese company operating abroad must start mitigating security risks such as providing escape routes when a disaster occurs, recommendations for maintaining good relations with local governments, and others. In essence, the guide released in 2018



presents new facts regarding PSC in China—which will then differentiate it from industries in other countries.

Then, in 2019, there was *境外企业外派人员安全培训指南* (*Translated: Jìngwài qǐyè wài pài rényuán ānquán péixùn zhǐnán, Training Guide Security for Companies Abroad*). In essence, with these guidelines, all Chinese workers who want and will work for Chinese companies abroad must receive security management training first. It is also stated that there is a security management test in each job selection - then if it is accepted, the worker will receive 40 hours of lessons related to security management. Then what is unique is that the entire selection process up to the provision of 40 hours of lessons is not carried out by the military or police - but rather by Chinese PSCs who are skilled according to their competence and location (Yau & Van Der Kley, 2020).

The Chinese PSC has no relationship, let alone affiliation, with the government or even the Chinese Communist Party. However, in a critical situation because its economic interests in the BRI project are experiencing many security risks, the Chinese government is actively playing a role in providing direct contracts to its domestic PSCs. This then becomes the difference, because in practice, China carries out Top-Down Privatization - namely when the country's government consciously contracts with private companies to be able to provide security when the country is unable to provide it.

While other companies are actively looking for clients, in contrast to China, with the large number of requests for security from BRI projects, Chinese PSCs are just sitting around waiting for contracts to come from Chinese companies overseas—or even from the Chinese government directly. to then provide security in their economic interests. This statement was validated by Niva Yau, a scientist from the OSCR Academy in Bishkek, Kyrgyzstan when interviewed by VOA, namely 'Private Security is a practice that can be carried out by many parties, however, China's preference to use its domestic PSC is purely a choice from above (Top-Down) to be able to secure its own domestic business'. Then based on the work of Arduino (2018), PSCs in China tend to exclusively accept contracts originating from China alone—with no desire to accept contracts from other countries in need (Huang, 2023).

With this, currently, the market for Private Military/Security Companies can be said to be closed without any competition from other international companies. This phenomenon is unique because usually, companies will expand to countries that have close political or economic relations. For example, the Russian PMC, namely the Wagner Group, is looking for many clients in African countries - because of the close political relations between Africa and Russia. However, for Chinese PSCs, the main motivation is economic—so that Chinese PSCs have succeeded in finding niche markets in BRI countries—without any desire to expand or even accept and look for clients in non-BRI countries (Avdaliani, 2021).

Some of the reasons why Chinese companies or even the Chinese government use domestic PSCs are not because of military network problems - because it has been said previously that there is no Military Industrial Complex (MIC) in China. Therefore, in the end several reasons were found according to Khariief (2022) that the election using PSC in the country was because: (1) *Language problems* - because in fact language differences can result in miscommunication, so language similarities will make things easier in the future. (2) *Cultural similarities* - because the contractor and service provider come from China - so that problems such as cultural sensitivity and others will not arise. (3) The use of Chinese PSCs is considered capable of protecting confidential data, without having to fear spying or other actions. (4) PSC China offers race-to-bottom pricing and is very competitive compared to other international companies. it is even said that the price is only 1/10 compared to companies owned by Western countries. Estimated to be 12 Chinese private security personnel only priced at 500 USD per day (around 7.7 million Rupiah for 12 people, estimate only 700 thousand Rupiah/person per day). Several reasons are factors for China to use its domestic PSC. Moreover, one of the author's findings is that most official Chinese PSC websites only provide Mandarin on their pages, so it is estimated that the target market is only Chinese companies and the Chinese government.

The type of services provided by Chinese PSCs can also be said to be very unique—because they are different from industries in other countries, especially Western countries. The types of services formed from China's many security requests can then be summarized into several types, namely: (1) *Risk Assessment*—which provides security reports in order to provide an understanding for companies or governments to see potential risks or threats in a country or region. (2) *Risk Management*—which monitors all types of risks or potential threats—and tries to handle them. (3) *Risk Mitigation*—which tries to provide services that mitigate or resolve potential risks or threats. An example is the evacuation of Chinese workers or something similar. (4) *Risk Transfer*—which tries to make it easier for insurance companies to find the right countries or regions without potential risks or threats. (5) Provide security audit reports for Chinese



companies located in other countries. (6) Training of other private security personnel or workers of a Chinese company located in another country.

If we directly compare China's PSC with other countries, namely the US and Russia, you can find clear differences which then explain the occurrence of the PSC with Chinese-Characteristics phenomenon. The first is in the focus of the services provided, as previously mentioned, China's PSC only focuses on safeguarding and risk management issues. When compared with the case of the Russian PMC, namely the Wagner Group, or the US, namely Executive Outcome (EO) or similar, there is an interesting finding that the Chinese PSC tries to keep a low profile.

This could happen because of the company's relations with different countries, in the sense that PMC Wagner Group or similar denies any connection to the Russian government, or when the US PMC Blackwater commits murder, the US government tries to deny its involvement. This is the reason why the company can 'comfortably' be high-profile - because it is not affiliated with the state. In contrast to China, its domestic PSC acts low-profile because China's PSC is 51% owned by the central government, so there is pressure not to act rashly in order to maintain China's image with its principle of Non-Interference in the international world. This is proven by the prohibition on Chinese PSCs from carrying any weapons, whether operating within the country or domestically. Prohibitions and recommendations for a low profile can then help China to stay safe from being involved in potential future conflicts in the international world.

## CONCLUSION AND SUGGESTION

In conclusion, China is looking for ways to secure this ambitious megaproject by using PSC. PSC is then used as a way to secure the BRI project because of its ability to overcome security limitations and dilemmas, as well as reduce negative perceptions that can arise in the international world. China's principle of non-interference creates a dilemma and limits the use of its military to provide protection and provide security for its economic interests abroad. Given this, China is 'circumventing' this principle by seeking justification for the use of the Security Privatization phenomenon - by using its domestic PSC to fill the security vacuum. The use of domestic PSC to maintain security at BRI projects and workers then has the aim of 1). Eliminate bad perceptions, 2). Denying the direct existence of China, 3). Circumventing the Non-Interference principle, and 4). Cost savings.

In summary, the existence of Private Military/Security Companies in China has existed for a long time, even during the Qianlong empire era with the existence of 標局 (*Trans: biaoju*) which means 'Guards'. This systematic private security system with the presence of 'Guards' lasted until the Chinese Revolution in 1948 - which then placed all aspects of security in the hands of the central government. The development of the Military/Private Security Industry was stalled in that era. Until finally, in the 1980s with reform and opening up, especially with the emergence of privatization ideas, which then allowed the private security industry in China to grow further.

When BRI was launched in 2013, it was estimated that there were already 4,000 Private Military/Security Companies with around 4.3 Million personnel. Then, in 2016, when Xi Jinping realized the importance of security in his overseas projects, this stimulated the industry to become increasingly massive at home. Chinese PSCs then operating overseas began to grow—with estimates of 20-40 companies with no exact number or very complete data. However, with evidence from secondary sources and also the official websites of these companies, it can be seen that Chinese PSCs do exist.

The phenomenon of Private Military/Security Companies is something that is still subject to much debate—as previously mentioned. However, if we look at the case in China, many scientists say that China is forming an interesting phenomenon that is very different from existing industries in the West or elsewhere - which has become known as PSC with Chinese-Characteristics. The existence of Chinese PSCs has many differences from other private security industries, which is an interesting discussion in this article.

Distinctions that can be seen from the existence of PSC with Chinese-Characteristics can be seen from several aspects, such as the existence of regulations from the Chinese central government which then included PSC in one unified intelligence system, dominant ownership even though it has 'Private' status, prohibition of the use or carrying of weapons to other. Then there are differences in the type of contract award, because unlike other countries, China's PSC is Top-Down—in the sense that all contracts and clients are awarded directly by large Chinese companies and also the Chinese government. Furthermore, it can be seen from the reasons for its use, down to the type of service which is only a security service, without any intention to add any type of offensive service. Finally, what is different from other industries is that China's PSC is low-profile in order to maintain China's image with the principle of Non-Interference.





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