



Civilian and Private Security Contractors – Yes, They're Here to Stay

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Abstract

In an era of smaller defense budgets, more civilian and private contractors are doing the work once done by regular armed forces. Regardless if this is good or bad, Maxim Worcester argues, the fact that governments are increasingly regulating PSC activities tells us they are here to stay.

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Analysis

While the provision of security is commonly associated with the state, its monopoly on the legitimate use of violence has, throughout history, been augmented by contractors. The United States' armed forces, for example, have been supported by contractors since the US Civil War and even Victorian Britain was largely dependent upon contracted forces. Accordingly, just as the production of arms has passed from government owned companies to the private sector, so too has the provision of security increasingly migrated from standing armies to private security companies (PSCs).

The economic arguments for and the political resistance against the use of PSCs have escalated ever since the emergence of the international private military and security industry in the early 1990s. The market for services provided by PSCs is growing at a rate of 7 % p.a. and is estimated to have reached a turnover of around \$200 billion. Moreover, the ethics and actions of some PSCs have raised many questions in the recent past. None of these, however, have diminished the attractiveness of the business model of such companies. Instead, even countries opposed to the trend of outsourcing the conduct of war or the securing of peace are about to put legislation in place that will ensure the continued success and presence in the market of PSCs.

Money Well Spent

The gradual privatization of military and support functions has ensured that civilian contractors and PSCs have gained influence and made small fortunes within the business of war and peacekeeping. Indeed, it could be argued that the contributions of contractors and PSCs have grown to such an extent that they have become indispensable to military operations. A 2010 survey conducted by the Washington Post, for example, suggested that the US Department of Defense employed around 1.2 million private contractors. As a result, PSCs have become an integral part of the military establishment and it is increasingly unimaginable that a major war can be conducted without their involvement.

Indeed, countries like the United States or United Kingdom seem to have little problem with the privatization of military functions which others consider to be a fundamental task of government. This, in turn, reflects that many Western governments have recognized that the leaner armies of the 21st century cannot provide all the expertise or 'boots on the ground' which armed forces that were structured to meet the threats of a Soviet invasion of Europe were able to generate organically. Instead, civilian contractors and PSCs are able to provide flexibility and surge at short notice and - particularly in the case of PSCs - can draw on highly trained former members of the armed forces. As a result, private security contractors are not subject to bureaucratic lead times and can deploy forces to plug capability and manpower gaps at short notice. Once the need for such personnel is over, PSCs can quickly be demobilized.

Through the recruitment of former military personnel, PSCs can also augment operations with the deployment of specialists with a wide range of skills that were largely acquired during their time in the regular armed forces. Many private contractors also tend to be recruited from elite units or have other highly marketable skills such as languages and country expertise. In this respect, the argument that PSCs would gain financially by employing specialists trained at the expense of the public purse seems overstated. By deploying such personnel, the government indirectly extends the service life of the former soldier without having to bear the cost of continuous employment. PSCs gain as they are able to recruit personnel without having to invest heavily in training.



Concerns remain, nevertheless, that PSCs may at first glance be more expensive than regular military forces. This might be the case when there are high levels of danger or when there is an acute demand for a surge deployment. In such instances, surge capacity comes at a price - especially when regular forces are unable to generate the required numbers. However, such costs are often more than cancelled out by the flexibility in the operating procedures of PSCs. If PSCs are allowed to solve problems by their own methods they tend to be more cost effective than their military counterparts. If PSCs are forced to act and operate in the same manner as regular forces they are more expensive.

Value Beyond Conflict

Yet war is not only about combat. The combat period during the last Gulf War, for example, was short whereas its aftermath was long and drawn out. Because of this, PSCs play an increasingly vital and important role in post-conflict situations. Following a combat period many of troops are withdrawn only to be replaced by less seasoned troops. Consequently, armed forces have often relied upon private companies to provide them with a robust supply chain and protection. In addition, PSCs also assist in the protection of the civilian population and contractors brought in to repair damaged or destroyed infrastructure. And last but not least, PSCs are increasingly used by overstretched regular forces to process and guard prisoners of war.

However, the employment of private and civilian contractors also extends beyond the regular armed forces. An extensive range of non-governmental organizations (NGOs) also play an important role in post-conflict situations. Indeed, it could be argued that NGOs have grown in importance for much the same reasons as PSCs in that both have increasingly assumed responsibilities for tasks that were once provided by states. Yet, the apparent common ideological roots and close ties between both organizations tend to be played down by NGOs that regard it as an anathema to be linked with PSCs.

The reality, however, is that NGOs can no longer operate without employing armed guards to protect their staff from danger. A survey found, for example, that every major international humanitarian organization has paid for armed security in at least one operational context, and approximately 22 % of all major NGOs reported using armed security services in 2007. The fact that USAID also required the NGOs it contracted in post-occupation Iraq to hire PSCs adds additional substance to arguments that private contractors form an increasingly important part of humanitarian operations.

In an era of increasing 'donor' *and* 'peacekeeper' fatigue, PSCs can also help support UN peacekeeping missions, especially on the African continent. As a result of fluctuating economic conditions and a lack of political will, fewer states are willing to commit their own forces to dangerous missions in Africa. Moreover, the lack of capacity and experience of many African armed forces makes the deployment of PSCs all the more compelling. Private contractors could, for example, assist in the development of security sector reform in African countries.

Here for the Duration

Former UN Secretary General Kofi Annan once remarked that the world may not yet be ready to privatize peace. In the meantime, however, many states readily acknowledge that they are not the only actors that can provide security and peacekeeping functions. In July 2012, for example, Germany's cabinet agreed a draft resolution which would allow armed PSCs to protect German flagged ships from pirate attacks. The draft law will be presented to parliament and in spite of deep misgivings across all parties it is expected that the bill



will be passed. This move has little to do with a change in mindset and more with the fact that it is the only available option: deploying Federal Police on board German vessels is unrealistic in terms of cost and resources.

Unlike the UK, where the government has so far placed considerable trust in the self-regulation of PSCs, the German government will also regulate private contractors through the Federal Office of Economics and Export Control. Indeed, it can also be expected that the UK's approach to regulation will eventually converge with that of Germany due to the growing recognition of problems associated with the deployment of PSCs. Accordingly, once legislative frameworks that regulate the activities of PSCs are in place, it can be assumed that private and civilian contractors are here to stay. There is clearly an economic argument for using PSCs, in order to both wage war and secure peace. It is ironic that the German government - a staunch defender of the state's monopoly on the legitimate means of violence - is on the verge of legitimizing the use of PSCs for the purpose of protecting assets it is unable to defend itself.

Remarks: Opinions expressed in this contribution are those of the author.

About the Author of this Issue

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