

# Growth and Implications of Private Military Corporations

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## **New Security Concerns and the Evolution of the PMCs**

Security, both as a concept and a policy objective, has been undergoing steady expansion in terms of its scope and focus. The concept, on the one hand, has steadily lost its traditional military-security oriented approach and has been broadened into a more holistic and comprehensive paradigm by linkages with non-traditional security issues. In this connection, the “Security sector reform (SSR) has emerged in recent years as a way of tackling the security and development questions together. It combines a wide range of activities that reform the security institutions of the state – the military, police, intelligence services and the criminal justice system – in order to make them capable of delivering security to citizens in a way that is consistent with democratic norms. It is an increasingly common element of development policy... .”<sup>1</sup> On the other hand, the gradual retreat of the state with a concomitant trend towards privatisation in even the sphere of “high politics” including war and international security, as well as “public sphere” areas, like maintenance of domestic security, has become a globally established trend since the 1990s. According to one analyst, the process of globalisation: “is splintering the concept of national security, generating new markets for both supra-national and sub-national security providers... .”<sup>2</sup> In this connection, a noticeable trend in the post Cold War period, or more particularly, since the beginning of the Global War on Terrorism(GWOT) after the 9/11 incident, has been the sharp proliferation of Private Military Companies (PMCs) and

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Private Security Companies (PSCs) and their use by the states along with international organisations, NGOs, humanitarian agencies, members of the international media and the MNCs. In the internal sphere also, “Internal security is increasingly being privatised as private security companies (PSCs) and other non-state agents supplant state agencies as providers of individual security<sup>3</sup>.” This has either been because of the failure of “weak states” or as in cases of “stronger states”, a part of the overall drive towards outsourcing, in order to increase efficiency and cost-effectiveness.

The increased capacity of the global media to inflame and influence popular concerns regarding “casualty sensitivity” or the “body bag syndrome” – either in support of or opposition to foreign intervention – has also been a subject of broad concern among the global strategic community. This has led to “force deployment” in actual conflict situations: A difficult task for the policy makers. States, thus, seem to accept a prominent role for private business interests in the regulation of violence. This, in turn, amounts to a process of “commodification” of security. Employment of such Private Military Corporations (PMCs) in global conflict situations seemed to have become a well established practice since the 1990s. The rising menace of various non-state oriented security threats taking centre stage in the security discourse has also increased the importance of the PMCs. Privatisation of security has been advocated as a better approach to deal with such new threat scenarios and conflicts.

The PMC is an industry that is growing with some estimating annual contracts in the \$10-\$20 billion range. Though this growth has been a worldwide phenomenon, the United States, Great Britain, along with countries like South Africa, account for over 70% of the world’s market for their services. While the use of civilian contract personnel providing mostly logistical services during operations has been a common affair in armies all over the world, what has been, however, a more significant development in the post-2001 counter-insurgency operations is the extensive use of armed contract personnel to conduct military missions

such as security operations and training of personnel in combat zones. As one analyst notes:

“...However well intentioned the moral concerns surrounding both the employment and deployment of PMCs, they are now very much part of the security landscape as states and Intergovernmental Organizations (IGOs) struggle to balance concern over how best to deal with the proliferation of internecine conflicts across the globe. Indeed, with the current concern over the activities of transnational terror groups, PMCs appear well placed to act as force multipliers among states anxious to bolster internal security without necessarily incurring a concomitant rise in defence expenditure.”<sup>4</sup>

Availability of an emerging pool of highly trained ex-army men from various levels, thanks to the ongoing retrenchment and privatisation drive in major armies of the world, and the commensurate supply of arms, weapon systems and ammunitions at cheap rates, have been the main reasons behind this. Apart from the globally operating organisations, the growth of private security agencies/companies functioning internally has also witnessed a steady growth in recent times. As one analyst notes: “Some estimates suggest that the ratio of private security guards to police in developed countries is 3:1. In less developed countries it may be 10:1 or more.”<sup>5</sup>

The implications of rising numbers and increasing prominence of such internal private security companies in Asia constitute a major area that requires substantial focus, but that is beyond the scope of this present commentary, which restricts its focus upon the arrival and operations of international PMCs in the Asian region and the resulting strategic and social implications.

## **PMCs in Iraq and Afghanistan**

The deployment of the PMCs has become a major part of the post 9/11 US global security strategy involving intervention in the global “hot

zones". The two currently most important conflict zones in Asia, Iraq and Afghanistan, for instance, have witnessed large scale deployment and involvement of the PMCs. Numerous PMCs are in operation in Iraq, while in Afghanistan, one PMC named the Dyncorp International, has been playing a prominent role along with the others. In Iraq, for instance, an estimated 15,000 private security agents from the United States, Britain and countries as varied as Nepal, Chile, Ukraine, Israel, South Africa and Fiji have been operating since the fall of the Saddam regime. They are employed by about 25 different firms that are playing their part in Iraq's highly dangerous post-war environment by performing tasks ranging from training the country's new police and army to protecting government leaders to providing logistics for the US military and also protecting the various civilian commercial enterprises.<sup>6</sup> In fact, contractors compose the second largest force in Iraq after the US military. In December 2006, The Washington Post reported that there are approximately 100,000 government contractors operating in Iraq, let alone subcontractors, a total that is approaching the size of the US military force there. Among them, many are armed "security contractors". Far from restricting themselves to doing mundane logistical operations, some of the private contractors are getting involved in more direct combat related activities. During the Iraq invasion in 2003, for instance, some of these contractors maintained and loaded many of the most sophisticated US weapons systems, such as B-2 Stealth bombers and Apache helicopters. They even helped to operate combat systems such as the Army's Patriot missile batteries and the Navy's Aegis missile-defence system.<sup>7</sup> Armed contractors are playing a more prominent role within the battle zone itself; they use military training and weaponry to carry out missions in the midst of a combat zone against adversaries who are fellow combatants.

One major indication of the rising importance of such contractors is the casualty rate among private contractors in Iraq soaring to record levels in the year 2007. At least 146 contract workers were killed in Iraq in the first three months of 2007, by far the highest number for any quarter since the war began in March 2003, according to the US Labour

Department, which processes death and injury claims for those working as United States government contractors in Iraq. That brought the total number of contractors killed in Iraq to at least 917, along with more than 12,000 wounded in battle or injured on the job. Though contract employees such as truck drivers and language translators account for a significant share of the casualties, the recent death toll also includes others who make up what amounts to a private army. The actual figures of such casualties may be quite higher than these estimates. According to Lt. Col. Joseph M. Yoswa, a spokesman for the US military in Iraq, “the responsibilities for tracking deaths, injuries, locations and any other essential requirements lie with the contractor. Unless there is something specifically stated in the contract about accounting for personnel, there is no requirement for the US government to track these numbers.”<sup>8</sup> Incidentally, many employees belonging to such private firms have been charged with undisciplined behaviour, harassment and killing of innocent civilians, inflicting torture, etc. “Black Water International”, now renamed as “Black Water Worldwide”, has, perhaps, become the most notorious among such private firms operating in Iraq. Its employees have been involved in several incidents of indiscriminate firing including the latest one which took place on 16 September 2007, which led to the death of twenty Iraqi civilians.

In the conflict zone of Afghanistan, things are no better. Though other PMCs have been present, the most prominent to operate during the US led coalition’s involvement in Afghanistan has been “DynCorp International”, a leading professional services and project-management firm serving governments, corporations, and international organisations worldwide with 14,000 employees in about 33 countries. It is headquartered at Irving, Texas. The United States Department of State has recently awarded DynCorp International a contract to train, equip, and build the capacity of the police forces in Afghanistan. The potential value of the award is \$117,236,158 for the first year and \$85,275,734 and \$87,487,630, respectively, for two option years. This is a follow-on award for DynCorp International, which has been training the newly created police force in Afghanistan since 2003.<sup>9</sup> Apart from organising

such training programmes, Dyncorp is also involved in providing security to the Afghan political leaders and was until recently in charge of the Afghan president Hamid Karzai's security. The company is also involved in missions destroying poppy cultivation fields in order to target a major source of funds to the insurgent groups like the Taliban.

Several recent reports, however, have been critical of the operations and functions of such PMCs. Many PMCs have been accused of gross human rights abuse and participation in illegal activities, apart from being generally insensitive to the local populace in the conflict zones in which they operate. Several Dyncorp employees, for instance, were accused of being involved in running a prostitution ring consisting of under-age refugee or orphaned girls during the Bosnia crisis. The anti-drug production operations in Colombia, also involving the Company, have also been reported to have led to gross human rights violations. Several PMC employees have also been accused of being involved in the recently reported atrocities committed on Iraqi prisoners in the Abu Ghraib prison. Several acts of "high-handedness" by the Dyncorp employees have also been reported from Afghanistan.

Not surprisingly, because of the legal vacuum, most of these acts committed by the PMCs have gone un-punished. Most of the PMCs continue to operate under de-facto legal immunity in the conflict zones, being answerable only to the top brass of their respective Companies and not to the government or the army authorities. The US political establishment, however, has tried to impose some checks on this proliferation in recent years. The US Democrat Representative in the Congress, Jan Schakowsky, for instance, has been critical of the policy of the Bush government to indiscriminately sign high value contracts with such PMCs. Recently, Democrat Representatives Jan Schakowsky and David Price introduced an amendment on the contracting oversight amendment to the National Defence Authorisation Act for Fiscal Year 2008. It was passed by the House. This amendment seeks to garner more information about the private contractors deployed with US military personnel in Iraq and Afghanistan. After the passage of the bill, Jan Schakowsky commented:

“I am thrilled that our amendment is now attached to the defence authorisation bill. This bill will now provide much needed transparency and oversight to an industry that has gone by completely unchecked. Under this bill, we will finally be able to see the contracts and get the answers to basic questions about private military contractors in Iraq and in Afghanistan. The American public has a right to know where and how their taxpayers’ dollars are being spent.”<sup>10</sup>

The National Defence Authorisation Act would also create a database that would collect descriptions of the contracts, including the value of the contracts, amount of overhead spent, total number of personnel employed on the contracts and other general information that would give Congress a better understanding of the role contractors are playing. The Schakowsky/Price Amendment will make certain that Members of Congress will have access to this database and that they can request to view individual contracts. Currently, Congress is unable to provide oversight of these contracts because they do not have access to them.<sup>11</sup>

The Dyncorp training programme in Afghanistan has also been criticised in a recent New York Times Report. The report says that management of the DynCorp contract by United States government officials in Afghanistan has fallen into a state of disarray; conflicting military and civilian bureaucracies could not even find a copy of the contract to clarify for auditors exactly what it called for. Mismanagement and corruption have been leading to virtual ineffectiveness of the Afghan security forces against the resurgent Taliban and other militias who still retain control over strategic areas in the southern provinces.<sup>12</sup> Dyncorp officials have tried to refute the findings of the report by claiming that the Inspectors General belonging to the US Departments of State and Defence have praised the quality of both the police training and the trainers provided by DynCorp International in Afghanistan.<sup>13</sup> The fact remains, however, that there is a general prevailing perception of deteriorating security situation in Afghanistan. In a recent report prepared by the think tank, International Crisis Group (ICG) on Afghanistan, for instance, concerns have been raised over the slow and halting process of the disarmament,

demobilisation and reintegration (DDR) of armed forces in order to initiate a process of peace under the Afghanistan New Beginnings Programme (ANBP) initiative. One major area of concern covered by the report has been the proliferation of armed militia groups.<sup>14</sup>

## **Implications for South Asia**

The involvement of the PMCs in direct operational activities in an intra-state conflict situation has new strategic implications for the entire region of South Asia, since the intra-state level conflicts in the region have become the main source of concern for the regional policy makers and strategists. While much work on the rising prominence of the PMCs and its strategic/legal/socio-political implications has been done by western scholars, their involvement and security and strategic implications in the Asian region have not been dealt with in an adequate manner so far. In this connection, one has to remember that most often the PMCs perform tactical, not strategic, functions. In other words, their day-to-day actions are not aimed at serving to transform the overall political, military, and social environments in which they operate. One must, however, keep in mind that the very involvement of private security groups against non-state groups tends to generate new strategic imperatives and necessities. Though such imperatives and concerns are often localised and specific in nature, certain general and broad strategic implications can nonetheless be outlined.

One major international concern has been the relative legal lacuna in dealing with these PMCs. Existing international laws and treaties to control mercenary activities include the following: The Hague Conventions (1907); the Geneva Conventions (1949); the UN Charter and related Resolutions; Article 47 of Protocol 1, additional to the Geneva Convention of 1949 (1977); The Organisation of African Unity's (OAU) declarations and conventions; and the UN Mercenary Convention. But none of these international conventions or more specific country-wise legislative attempts – as in South Africa, the United Kingdom and the USA – have not really been able to specifically address the issue of PMCs in a satisfactory manner. As one scholar notes:

“...At the international level, active military assistance operations conducted by private military companies are indeed legitimate, but that measurement of legitimacy can only be assessed as being de-facto and amoral. Moreover these missions are being conducted within a vacuum of effective regulation and accountability at the international and national levels that is decidedly inappropriate for the international realm in the twenty-first century.”<sup>15</sup>

Given the tendency of the PMCs to often transgress the line of appropriate authority and legality on numerous occasions in different conflict zones where they have been involved, as in Sierra Leone, Kosovo, Iraq and Afghanistan, such legal vacuum can set a dangerous portent for the future.

The second major theoretical implication is whether the process encourages the prevailing trend towards growing commodification of security. It has been argued that a process of privatisation in security sector is a natural part of the entire process of the globalising trend. One scholar, however, argues that:

“...Privatisation can be inconsistent with globalisation in localising and isolating what is provided; in the case of security services, privatisation can lead to pockets of highly different types and levels of security across communities and countries, with numerous gaps in between protected regions and populations. Security privatisation appears to have a greater potential than other forms of privatisation to lead to fragmentation rather than integration of the global community.”<sup>16</sup>

More important, one must consider whether privatisation of security poses a danger of further eroding state authority at a time when the state structure is already facing severe assault from within and without. Another issue of concern is whether privatisation led commodification of both conflict as well as security trends to make these self-perpetuating as they get increasingly determined by the profitability and affordability motive. As one analyst argues:

“Many of the unruly groups involved in security-eroding “deadly transfers” across national boundaries find the privatisation of security to be a real advantage. The spread of transnational criminal organisations, themselves using private enforcement systems motivated by profit rather than political gain, is completely in tune with the proliferation of privatised defensive measures taken against them. Gunrunners involved in clandestine arms transfers find privatised security forces a ready market for their wares. Because of the apolitical stance of privatised security forces, rogue states, terrorist groups, drug lords, and other unruly actors find means of coercion more readily available for their use than they would otherwise.”<sup>17</sup>

Strategically more significant aspect of such PMCs operations in the region is whether it could lead to the formulation of new strategic imperatives for the Indian security concerns. In other words, whether employing of private security groups can be considered to be an appropriate and adequate strategy to fight evolving threats emerging from non-state actors internally, which are evolving into more complex and dangerous ones in recent years. Continuous involvement and engagement of state security forces, particularly the army and the paramilitary forces, in such internal conflict zones can project the image of the state security forces as an “occupation force”, a tag that any army would like to avoid. Several senior members of the Indian army have, time and again, warned against the dangerous implications involved in such continuous presence of the army.<sup>18</sup>

One aspect of the Indian state’s counter-insurgency strategy, in this connection, has been to organise rehabilitated militants/extremists into private vigilante groups and to use them against non-state threats, primarily consisting of terrorist or dissident groups. Use of such pro-government private groups has been a complementary effort to the more traditional application of force through the army and paramilitary groups and the police. To give some regional examples: In Assam, for instance, where the Indian state has been facing a long term threat from the United Liberation Front of Assam (ULFA), a pro-India outfit the SULFA

(Surrendered ULFA) consisting of the surrendered militants has been functioning since 1992. These former members were allowed to retain their weapons to defend themselves against possible ULFA retaliation and were also offered special government schemes. Reports, however, indicate that many members of the SULFA have also become involved in violent and illegal activities including extortion. In another major internal conflict zone of Jammu and Kashmir, several counter-militant groups have been operating since the 1990s, the most important one being the Ikhwan-i-Muslimi. According to one Human Rights Watch Group, although the Indian government routinely denies any responsibility for the actions of these groups, these are organised and armed by the Indian army and other security forces and operate under their command and protection, primarily targeting the “pro-azadi” or pro-Pakistan militant groups and their political sponsors and sympathisers.<sup>19</sup> Several cases of human rights violations and illegal activities have also been reported against several members of the Ikhwan.

Externally, the regional pull factors have already led to the participation of several retired Indian security personnel in the regional PMC operations. There have been several reports in newspapers and journals of hundreds of Indian ex-servicemen being recruited by some of these PMCs operating in Iraq, in spite of the Indian government’s decision not to get militarily involved in the conflict. Another prominent regional PSC to emerge in recent times has been The Gurkha International Group, founded in 1994 by members of the British Army’s Brigade of Gurkhas to provide reputable employment for ex-Gurkha soldiers and for Nepalese men and women worldwide. Though such participation has not yet become very significant so as to affect the recruitment process of the regular state controlled security forces, one should at least become more concerned about the process.

The greater employment of PMCs in global conflict zones also raises further questions regarding the future United Nations led peacekeeping operations. It has already been estimated that the number of personnel in UN operations has fallen from a peak of 76,000 in 1994 to around 15,000 today.<sup>20</sup> Given the reluctance of many countries to involve their

own armed contingents in global conflict zones, the use of PMCs is being advocated by many analysts as the only alternative for the UN and other multi-national organisations. David Shearer, for instance, while building his case for deployment of private security forces under the UN mandate, cites the example of Sierra Leone. According to Shearer:

“Sierra Leone’s citizenry, when asked, preferred the return of the private military company Executive Outcomes to UN peacekeepers. During Executive Outcome’s time in Sierra Leone, April 1995 to January 1997, it completely turned the tide of the war. Most importantly, in those places where it was based, civilians experienced the first security from the ravages of both their own army as well as the rebels.”<sup>21</sup>

Such possibilities of greater deployment of PMCs by the UN in future peacekeeping operations would again threaten to take away another important strategic lever which India has so long employed as a major player and contributor to the UN Peacekeeping operations. The PMCs, mostly western in origin, would help in further pushing the UN into the grip of the US dominated global security paradigm.

## **Conclusion**

While the issue of privatisation of conflict and security has become a major concern with security analysts all over the world, the focus on this issue in the region of South Asia has been rather limited so far. Whatever little research has been done in this field has primarily been concerned with the issue of privatisation in defence-related production and procurement in the Indian context. Privatisation of security and its related implications, however, are too large a concept to be restricted to this aspect alone. Globally, it is being projected, particularly by the US strategic paradigm, as the best strategy to combat the new threats posed by non-state oriented dissident/subversive/terrorist groups, on a long term basis. Severe flaws, however, have been detected, which have affected the credibility of such a strategy. It must send out a loud and clear warning to other security communities and groups not to either ignore the implications or blindly adopt similar policies on a regional

scale. A more integrative security strategy has become a regional imperative instead. 

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#### Notes

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