



# IDSS COMMENTARIES (57/2004)

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## WAR IN IRAQ: DEMYSTIFYING THE PRIVATISED MILITARY INDUSTRY

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There are an estimated 20,000 private security consultants and specialists currently operating in Iraq. Largely employed by United Kingdom- and United States-based private military contractors, these consultants and specialists effectively constitute the second largest ally of the US forces, even outnumbering British troops.

The roles of these private military contractors (often referred to as PMCs – private military companies) range from guarding Baghdad International Airport (carried out by Custer Battles), protection of oil fields and pipelines (by companies such as Erinys), and safeguarding of US administrators (Global Risk Strategies) and engineers (ArmorGroup). DynCorp, which is now an affiliate of major consulting firm CSC (Computer Sciences Corporation), is training the new Iraqi police force. Even the overall coordination of the private military industry in Iraq was recently outsourced to UK-based AEGIS Defence Services in a record US\$ 293 million deal. According to the latest updates of the US Center for Public Integrity's *Windfalls of War* project, more than 150 US companies have received contracts, although not all security-related, worth up to US\$ 48.7 billion for post-war work in Iraq and Afghanistan.

### **The Legitimacy of the Privatised Military Industry**

The privatised military industry plays a significant role in US peace support operations in Iraq. However, whether or not the privatised military industry has a legitimate role to play in conflict zones remains a contested issue.

There are several reasons why private military contractors have been welcomed by the US. Firstly, it simply makes economic sense to outsource many specific functions in highly complex operations to companies who possess the niche skills required. For example, companies such as Titan and CACI have made a lucrative business of providing linguists to the US forces.

Secondly, there are fewer political risks associated with casualties of private contractors compared to coalition forces. In what historian Edward Luttwak has termed a post-heroic era of US military policy, the horrific lessons from the Vietnam War as well as the peace support operation in Somalia in 1993 has made the US significantly more casualty-averse. Recently, four security guards from US-based Blackwater Security were killed in an area in Fallujah largely avoided by US forces. The deaths of private contractors do not appear in official army casualty statistics, and do not, therefore, negatively affect the mission according to the

dominant US measures of success.

Thirdly, by outsourcing operations to non-Western citizens, the Pentagon is able to capitalise on the use of security specialists who are able to blend in with the general population in ways Western troops do not. Significant numbers of former as well as current Indian soldiers are lured by the financial incentives of the privatised military industry in Iraq. Indians are generally considered friendly by Iraqis, they are known for their professionalism and discipline, and are more affordable than their Western counterparts. Whereas an Indian officer is likely to make between US\$ 1000 and US\$ 3500 per month (an Iraqi as little as US\$ 150 a month), his US or British counterpart is likely to make US\$ 10,000-15,000.

This trend does not only apply to the security industry. There are today, in addition to the thousands of security specialists, an estimated 30,000 migrant workers, mostly from South and Southeast Asia, are employed in menial jobs in Iraq. These workers perform duties from driving trucks for sub-contractors to cooking and cleaning for US and other coalition troops.

While the privatised military industry is considered a legitimate partner for coalition forces in Iraq, there have been recurring accusations of mercenarism and claims that Iraq is the new preferred theatre of the 'dogs of war' or 'hired guns' that were involved in many conflicts during the 1990s, especially in Africa.

Whenever these contractors make headlines, they are most often denounced as cynical killers in the business of war for profit. When the Pentagon awarded AEGIS Defence Services a security contract, most of the media coverage involved AEGIS' chief executive Tim Spicer's past and his role in private defence assistance in Sierra Leone and Papua New Guinea. Media reports failed, however, to describe the dubious roles of the 'legitimate' governments that affected Spicer's operations. For reasons possibly attributable to the sensationalist character of the tabloid press, the 'illegitimacy' of mercenary activities was considered more newsworthy than the nature of the contract and the role of the private military contractor.

In addition to criticising the questionable pasts of private military contractors, it has become common to question their roles from a legal stance as well. These security specialists, essentially, operate in a grey zone of international law. Are they civilians or soldiers? They are clearly combatants, but they cannot be subjected to military law. Furthermore, they do not represent nations per se although their employers are usually based in the UK or US. Officially, the coalition forces in Iraq do not have a view on the combat and legal status of the private military contractors.

The private military industry is not doing much to improve its legitimacy either. Employers try to keep a low profile with regard to media and public attention. They believe that operating covertly and outside media coverage is simply better for business. According to Jason McIntosh, spokesman of US-based Application International Corp: "We do not talk about things because our customers don't want it." And, as we all know, the customer is always right.

### **Demystification and regulation**

The most common response to the role of the privatised military industry has been to demand significant regulation by state apparatuses. Countries such as the US have attempted to incorporate regulation into existing arms export laws. This, however, does not appreciate the

complex role of these companies, where dealing with arms is only part of the operation. Moreover, many of the companies do not deal with arms at all, but still perform duties that are intimately linked to the military (such as intelligence and communications).

Clearly, more needs to be done on the regulation front, and, surprisingly to some perhaps, few acknowledge this more than the industry itself. According to Tim Spicer, chief executive of AEGIS Defence Services, the privatised military industry could benefit significantly from regulation, and his former company, Sandline International, even published a White Paper which advocates the benefits of regulation.

However, an issue that is even more pressing than regulation is the need for a demystification of the privatised military industry. PMC expert Peter Singer has argued that the corporatisation of the privatised military industry makes it unreasonable to equate PMCs to mercenaries. Large corporate structures make covert roles counter-productive for the industry. These new actors are, therefore, becoming more accountable and it is time to acknowledge the legitimate role they fulfil.

By demystifying the role of the privatised military industry, it will be easier to create a dialogue between the industry, state apparatuses, media and the public. This can move the private contractors out of their grey zone. It seems that certainly the Pentagon sees a legitimate role for this actor. The next steps require more openness from the companies involved, more research into the field of private military, and finally a greater media and public appreciation of the fact that 'being in it for the money' does not necessarily de-legitimise your cause.

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