Private contractors in war from the 1990s to the present

A review essay

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The single most important change in military affairs in recent history is the unprecedented role private contractors have come to play in modern warfare. This has been a trend in the making from the 1990s on. Quite a number of things have changed since then, though, and this is not just about sheer numbers. Equally important is the fact that today the biggest clients of private military services are the world's richest, most advanced states. So employment of contractors in combat is no longer about “state failure” as it was in the 1990s when African states lacking any sort of internal props or any means of substantial control over their territories hired mercenary forces to fight insurgents.

The use of contractors in war can be considered as the privatization of (certain) military functions. This is why the phenomenon is usually taken to challenge what is the most basic feature of the modern state for many: the monopoly of the legitimate use of violence. Most scholars recognize that this monopoly has never been complete and that modern states have indeed delegated the use of force to private agents in this way or some other. Some argue, for instance, that the history of military contracting in the United States dates back to the Civil War. Nonetheless, it is crucial to see that what we have been witnessing for the last two decades is a break from the past. There has been a dramatic change in the magnitude of military contracting:

In Vietnam, for every one hundred soldiers one contractor was employed. During the Gulf War (1991), one contractor was on the battlefield for every fifty soldiers. During Operation Iraqi Freedom,

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contractors made up one out of every ten personnel. Only six years later, one contractor supported government operations in Iraq for about every 1.5 soldiers.²

Private contractors are now heavily employed in Afghanistan and Iraq. They are training local security forces (army and police), providing logistics support for the US military, escorting convoys, securing headquarters, and guarding top-level officials.

In what follows, I will review five of the most prominent studies on private contractors, which will hopefully help us reach an understanding of the current state of the field. The books are introduced briefly below, which is followed by five sections organized around some basic questions, namely: what are the reasons for the move toward much greater participation of private actors in warfare? Is it proper to call contractors “mercenaries”? What do contractors do in warfare and how can firms be classified? Who are the people employed by contractor firms on the battlefield and what kind of “work” do they do? Is there a limit to privatization of military functions in the sense that certain tasks are seen as inherently governmental and thus ill suited for delegation to the private sector?

Peter Singer’s Corporate Warriors is the first major study on the subject. The book appeared before the invasion of Iraq, in 2003, and as a result, it is not about private military activities in Iraq – or even Afghanistan. The cases Singer examines are mainly from the 1990s. Corporate Warriors centers the discussion on three cases. First there is the now defunct Executive Outcomes, formed in 1989, whose combat operations in Africa brought forth a concern about private military firms for the first time. Military Professional Resources Incorporated (MPRI) is the second case. Founded in 1987 by senior military officers, MPRI is one of USA’s favorite military companies, especially in advisory and training-related missions. The final case is Brown & Root Services, which has been awarded many back-end support contracts by the US government in contingency operations from 1990s onward. The updated edition of 2008 of Corporate Warriors, on the other hand, involves a postscript on Iraq, in which Singer notes that the situation in Iraq reinforces the arguments he initially formulated. Some people would disagree with the statement; nevertheless Corporate Warriors is a study everyone working in the field engages with in some way. Especially notable is the typology of privatized military firms Singer proposes, the

² Carafano, Private Sector, Public Wars, p. 38. According to Jeremy Scahill, the ratio is already one-to-one (Blackwater, p. 460).
“tip-of-the-spear” model, which disaggregates firms on the basis of their relative proximity to the tactical battlefield. Tip-of-the-spear typology has received many criticisms, and almost everyone has put forward alternative typologies in response to Singer's; nonetheless, it may well be argued that his compares favorably with the rest.

Deborah Avant’s *Market for Force* overlaps in significant ways with *Corporate Warriors*. This is not only because the cases examined are more or less the same. It is also that the two analysts share common concerns regarding the privatization of military functions, which basically relate to the twin problems of unaccountability and loss of democratic control over the use of force. On the other hand, the scope of *Market for Force* is narrower: it is confined to the consequences of outsourcing military functions. Avant is particularly interested in the ways in which privatization has had an impact on the control of violence. Avant introduces the triple concepts of functional, political, and social control of force. Functional control is about the “ability to deploy coercion effectively to defend the state's interests” (p. 40). The concern here is with getting the job done with minimum cost. Political control refers to the political processes by which decisions regarding employment of force are made. The issue Avant focuses upon is whether privatization erodes existing procedures of decision making and changes the balance of power between (old and new) institutional actors. Finally, social control pertains to the containment of force within acceptable norms stemming from human rights, international law, democracy, etc. Avant inquires whether privatization reinforces or attenuates the integration of coercive institutions with these norms. Avant includes two intervening variables in her analysis, the first one being the character of the state which outsources. There is a single distinction here: strong versus weak states. The second variable has to do with the questions as to which functions are privatized and in what ways. Then the author explores the ways in which the variable of state strength interacts with that of the nature of the military function to produce varying patterns of change. Finally, we should also note that *Market for Force* is valuable in particular in scrutinizing cases of privatization where the client is not a government but instead a nongovernmental organization or a multinational corporation. Many NGOs and MNCs working in troubled zones, so to speak, either hire contractors to secure their headquarters/facilities or simply finance the services contractors provide for the host governments. The prominent example of this sort of privatization is Nigeria, where Shell and Chevron have financed (and deployed) public security forces in the face of a popular movement against oil operations.
Then there is *From Mercenaries to Market*. This edited volume has two major concerns. The first major is with identifying the new private actors engaged in military activities. In a nutshell, contributors define contractors as distinct from mercenaries. The other concern has to do with the regulation of private military activities. The bulk of the book is actually devoted to the second topic, regulation – quite understandably because it is a major challenge to come up with procedures according to which contractors will be prosecuted and punished for wrongful deeds. This constitutes a problem because, on the one hand, private contractors are not part of the military chain of command and they fall outside the military code of justice. Therefore, unlike the US soldiers they accompany, American contractors working for the US government in Iraq cannot be court-martialed.\(^3\) Another dimension to this problem is that international law is directed toward national militaries; and private actors seem to be lying outside its jurisdiction. There is also the fact that Order 17 issued by the Coalition Provisional Authority bestowed upon foreign contractors immunity against prosecution under Iraqi law; contractors cannot be taken to Iraqi courts because of crimes they commit on Iraqi soil. All these combine to make regulation a burning issue. Contributors to *From Mercenaries to Market* consider many different scenarios ranging from voluntary self-regulation to regulation by states (that is, states, like the USA or the UK, which export private military services).\(^4\) The problem of regulation is not critical for my purposes, but the problem of identification is, and I am going to examine it in the pages to come.\(^5\)

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3. It is true that there has been a recent change in the Uniform Code of Military Justice. According to the code, civilian contractors fall under military justice only in times of declared wars, which is very much a rarity. The application of the code was extended in 2007: now contractors can also be prosecuted for misconduct during contingency operations. The impact of the amendment is yet to be observed.

4. The most interesting contribution in this respect is Chia Lehnardt’s “Private Military Companies and State Responsibility”, which argues that it is wrong to write off international law as irrelevant. This is because, although international law is biased toward states, it is still possible to make use of it through attributing the misconduct of private companies back to hiring states.

James Jay Carafano's *Private Sector, Public Wars* stands out in its polemical style. A retired army lieutenant colonel, historian, and columnist, Carafano argues that the public-private balance in military affairs has changed for good. This is most certainly not something to be lamented. It is simply that an unimpeded free market can “provide services faster, cheaper, and more effectively” than any government; military services are no exception (p. 37). For Carafano, private military industry has the potential to be one of the United States’ “greatest competitive advantages in the twenty-first century” (p. 12). Carafano has devoted many pages to responding to critics. At times his account runs the risk of belittling the problems (such as contractor accountability before the law; employee misconduct; contractual problems such as overcharging) associated with privatization of military functions; more often, though, the conviction is that those problems are not inherent to outsourcing, which means that they may well be corrected. The US government up to now has been a “pretty lousy customer”, unable to properly select or manage contractors (p. 12). The key to alleviating problems is “good governance” (p. 37). Good governance involves institutionalized mechanisms of criticism and oversight, by which he means judicial and legislative checks on the executive branch on the one hand, and media and interest groups on the other (pp. 37-38). The book is not all about vindication of military outsourcing, however. It also includes the most detailed narrative of the history of military contracting in the United States prior to the 1990s, focusing chiefly on relevant regulations and procedures of contracting. On the other hand, while private military activities in Iraq are reasonably documented, Afghanistan is conspicuously absent; and unfortunately the same is true for the rest of the studies under consideration here.

Jeremy Scahill's *Blackwater* is an in-depth journalistic analysis of the “leading mercenary company of the US occupation” (p. 13). It is only in Scahill's book that military contractors are identified as “mercenaries”. It goes without saying that he is also the harshest critic of the entire phenomenon of military contracting. Scahill not only provides us with a thorough account of Blackwater's five-year work in postinvasion Iraq, which is replete with many deadly incidents; he at the same time locates the firm within American politics and the neoconservative network in particular. Moreover, his book has to be credited for touching upon certain issues which are noted only in passing by the other, scholarly studies. One such issue concerns the people employed by military firms. Dozens of questions pose themselves, including: who are these people? Why do they risk their lives working in Iraq? How much do they make? How do they find employment in Iraq? Is this like any other employment? Can they quit if they want to? Scahill's
book sheds some light on such questions. Scahill presents a glimpse of the prime contractor/subcontractors nexus too. When rewarded government contracts, many big companies split the job, and contract parts of it to smaller/more specialized companies, which is an important facet of the whole business of outsourcing. Finally, one can also discover in the book some clues as to the self-image of a mercenary company, through studying the speeches and congressional testimonies of the intriguing Eric Prince, Blackwater's sole owner.

Reasons for change

Detailed treatments of reasons underlying the rise of private military companies are to be found in Corporate Warriors and The Market for Force. For both Singer and Avant, the question is one of explaining the origins of a market, which, by definition, is constituted by supply and demand. The reasoning is simple: there should have been some marked changes in both supply and demand so that a previously nonexistent market was brought to being in the 1990s. Singer and Avant concur on the idea that the end of Cold War was of crucial importance, because it eventually created a demand for and supply of private military services.

There arose a demand for private military services, first of all, because western militaries (those of former eastern bloc states included) were significantly downsized following the fall of the Berlin Wall; they, however, were not reorganized to compensate for their much smaller size, so much so that, when new security challenges emerged, it turned out that state militaries were unable to effectively respond with their own resources. The rest of the world too witnessed an upsurge in demand for private military services, for the end of a bipolar world also meant that “developing” states no longer had superpower patronage, or military aid, to rely on. Bipolarization had in fact entailed stability for such states, as internal and external conflicts had been kept in check by superpowers. And when old conflicts did resurface in areas which used to be sites of Cold War confrontation, superpowers were now reluctant to intervene as these hot spots ceased to

8 Isenberg, “A Government in Search of Cover”, p. 82; Singer, Corporate Warriors, p. 50.
have any “strategic” importance. The “developing” countries, with their shallow political institutions and feeble armies, had no choice but find new forms of military aid.

As for the supply side, downsizing freed a great many number of qualified military personnel, who in turn made up a vast labor pool for military companies to draw upon. Even ex-KGB agents were out there in the market looking for new employment venues, not to mention special operations personnel from all over the world. Especially noticeable were South Africans, who came to the market place in hordes when the massive repressive apparatus of the apartheid regime was dismantled. Thus there were plenty of men to be hired by private companies; and some of whom actually became entrepreneurs themselves foundling, most notably, Executive Outcomes. The end of the Cold War facilitated the emergence of private military companies in yet another way. When the Warsaw Pact was dissolved, weaponry from its member states flooded the market, creating a mass inventory which could be readily bought and used by private actors. When Germany was reunified, for example, each and every item in East Germany’s arms stock was auctioned and sold at bargain prices. The market was thus saturated by every sort of weaponry making it cheaper for companies to stage their operations. Executive Outcomes, for instance, employed Soviet weapons in its African operations. Because soldiers and arms were in abundance, it was relatively easy to start a business in this nascent industry.

To conclude, analysts agree that downsizing was the initial spurt behind the beginnings of privatization of military functions. Downsizing has had long-term consequences, and its impact is still being felt today. Nonetheless, there also are other factors that can be said to have reinforced the impact of downsizing. One such factor might be gathered from Avant’s analysis. For Avant, a key element paving the way for the employment of military companies has been the emergence of “global security concerns”, which have to with novel phenomena such as international terrorism, interna-

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9 Singer, Corporate Warriors, p. 58.
12 Singer, Corporate Warriors, p. 53.
13 Chesterman and Lehnardt, From Mercenaries to Market, p. v; Singer, Corporate Warriors, pp. 53-54, 166-167.
14 Singer, Corporate Warriors, p. 54.
15 Ibid., p. 106.
tionally operating drug cartels, and so forth (pp. 32-34). The problem is that nation-states’ security organs cannot successfully deal with these new sources of insecurity in today’s “globalized” world as there is a “scale mismatch”. Avant is nonetheless cautious to add that the rise of global security concerns cannot be said to have necessitated privatization. After all, multilateral institutions should be well suited to meet these new security challenges. However, the UN and the NATO have proven to be ineffective in dealing with security problems of that sort because they cannot act unless a political agreement is reached among member states (pp. 34-38). Employing private contractors is simply the easier option.

The US war on global terrorism in the aftermath of the 11 September attacks alone goes a long way in explaining the newly emerged reliance on private contractors in warfare. In Afghanistan and Iraq there has been an unparalleled boom in contracting spreading to virtually every kind of military function from force training to personal security of senior officials. As mentioned before, Afghanistan does not figure often in the books reviewed, but there are some explanations offered regarding the reasons why private contractors have been indispensable for Iraqi operations. The most obvious explanation is that US regular forces were already heavily employed in Afghanistan. Secondly, the United States initiated its Iraqi operation with insufficient forces, which was partly due to miscalculation, as the administration underestimated the number of troops that would be required once the invasion was over. Yet this was not solely about a failure of military planning, because sending more troops would at the same time be a politically undesirable move in that it would disturb the American public. Thirdly, the Iraqi operation was virtually unilateral, thus lacking significant allied support to rely on, which turned private contractors themselves into an allied force. Also absent were UN peacekeeping forces, which had been present in the Balkans, for example. Finally, Sahill notes that the decision to dissolve the Iraqi military (as well as the police and internal security services) as part of the process of “de-Baathification” had played a part too, not only because it engendered a massive security gap but also because out-of-work soldiers and other security personnel joined the resistance forces, making the situation in Iraq even worse (pp. 129,

17 Singer, Corporate Warriors, p. 244.
18 Sahill, Blackwater, pp. 46, 60; Singer, Corporate Warriors, pp. 244, 247.
19 Avant, The Market for Force, p. 239; Singer, Corporate Warriors, p. 244.
182-183, 227). All these combined to make contractors the largest partner of the US military in Iraq.

Afghan and Iraqi operations aside, it is also the case that the advent of the global war on terror is enhancing the strategic importance of parts of the world, such as Central Asia and the Caucasus. Because these areas are now crucial to the US fight against terrorism, they are designated sites for security sector reform, where private military companies are contracted to provide force training. This is best exemplified by the interest in the Caspian Sea region. According to Scahill, rich oil and natural gas reserves and, more importantly, its close proximity to Iran explain the strategic salience of the region, where Blackwater and Cubic have been hired to train local security forces. The interest in the region is linked to the war on terror, writes Scahill, because the US administration is in a search for “operating sites” to be utilized in case there is an attack against Iran.

If it were thirty years ago, US soldiers in uniform would be training, say, Azerbaijani or Georgian forces – this says a lot about the pace of downsizing in military subfields. That is, in the United States, for example, the Clinton government urged the military to focus on “core tasks”, i.e. combat functions; remaining functions were to be outsourced to private firms. As noted above, downsizing hit a heavy blow at back-end support units, which explains why firms specializing in logistics blossomed so rapidly. Also affected were training facilities and programs. In particular, successive Base Realignment and Closure (BRAC) Acts deprived the military of many training venues. This is actually the backdrop to Blackwater’s entry the industry in 1998: the firm began to operate a training facility, which in fact was little more than a shooting range, in Camden County, Missouri. Similarly, the MPRI’s sprout on home soil owes much to US military’s outsourcing of education and training programs, most notably the Army Reserve Officer Training Corps programs. MPRI and other US firms working in what Singer calls the consultant sector have grown rapidly since then, providing training services all over the world.

Not everyone is satisfied with the downsizing argument, though. For Carafano (p. 43), the downsizing argument is no more than a myth. That is,

21 Scahill, Blackwater, pp. 231-243.
22 Ibid., pp. 237, 239.
24 Scahill, Blackwater, p. 93.
25 Ibid., pp. 96-100.
it is erroneous to associate the reliance of US military on private contractors with downsizing. His argument is that the US military became “hollow” long before the end of the Cold War and the consequent process of downsizing: the military was underfunded from the end of the Vietnam War. Hence, in the years following the war, personnel and equipment were in short supply with no widespread programs of modernization or training. On the other hand, Carafano does not propose a solely negative explanation of the increasing reliance on contractors. There is also a positive explanation, namely the US military’s contentment with its experiment with outsourcing of construction works during the Vietnam War. For the Pentagon, he writes, the employment of contractors was a “big success”. So, Carafano holds that privatization would have continued anyway – even without the advent of downsizing following the end of the Cold War. And this corresponds to a major change in warfare in terms of the balance between public and private forces.

In Carafano’s account the dominant motive behind military outsourcing in the United States is fiscal. There has been, for three decades now, a huge strain on federal budget owing to the ever mounting federal debt, which necessitates cost-saving when it comes to defense spending (pp. 53, 75). So the government had to cut back on military spending (through outsourcing) and this is actually what has been going on since the early days of the Clinton administration. It needs to be stated that, for Carafano, the strain on the budget had not been caused by military spending in the first place. On the contrary, at the root of the fiscal problem is in fact mandatory government spending on entitlement programs such as Social Security, Medicare, and Medicaid, which now account for about half of the federal budget (pp. 55, 129). In other words, entitlement spending is booming at the expense of military spending; and this does not appear to be an easily reversible tendency unless, of course, entitlement programs are stringently reformed: the United States has to spend less on defense if it is to continue pouring tax money into health care and other social benefits. The reform of entitlement spending in this way turns out to be the gist of the matter from the author’s neoconservative point of view.

Needless to say, the idea here in this argument is that governments can save if they privatize some of the functions that have been traditionally performed by national militaries (p. 43). Carafano writes that the primary reason why militaries are more expensive relates to “upward-spiraling manpower costs” (p. 56). Soldiers are expensive not because they have high base salaries but because in addition they receive numerous in-kind benefits for themselves and their families (pp. 54, 100, 195). The value of
benefits a soldier and his/her family are entitled to is almost as high as the base salary itself, which means that we need to multiply the salary by two to get the total value of military compensation (p. 100). This is not the case with civilian compensation because a private contractor does not receive benefits, s/he has to pay for insurance and pay tax (whereas soldiers who are abroad on combat missions enjoy tax exemptions) (pp. 99-100). To conclude, although it is true that a contractor’s pay is usually much higher than a soldier’s, the contractor is nevertheless cheaper.

Moreover, as Carafano points out, militaries and private companies are organized in dissimilar ways, as a result of which they require different numbers of employees to get the same job done (p. 96). That is, private units are organized on an ad hoc basis, which means that they are “scaled precisely to the task order in the contract”. For instance, Carafano calculates that the army would have to deploy 48,000 soldiers to perform the exact same security work that Blackwater is doing in Iraq with just 1,000 employees.

Nonetheless, it needs to be questioned whether the governments save money by contracting in every instance. Many observers are disturbed by the fact that most contracts are rewarded with little or no competition; this is the case with sole-source (“no-bid”) contracts. According to Singer, for instance, the practice of sole-source contracts neutralizes the “cost-saving advantages of competition” (pp. 235-236). Still, given the necessity to urgently support US operations in Iraq and Afghanistan, Carafano asserts that it is perfectly acceptable to limit competition in the awarding of contacts: the normal procedures simply take too long (p. 81). He also adds that the practice of sole-source is not as common as the critics would have us believe; and neither is it confined to military contracting (pp. 78-79). Then there is the problem of cost-plus contracting. In this type of contract, the client guarantees to pay for the costs that company incurs during the mission and, what is more, there is also an incentive fee measured in profit percentage (Singer, 2008: 140). So in a cost-plus contract, the more the company spends, the more it profits, which induces contractors to exaggerate their costs. Hence there is a major problem of overcharging. Carafano, again, defends the practice. For him, it is wrong to conclude in advance that contractors working in Iraq are overcharging the government, because the cost of security has indeed dramatically risen due to escalating insurgency in the country (p. 82). So companies are not pocketing immense profits; they are just passing the rising costs onto the US government.

It certainly may be the case that the actual practice of military contracting failed to deliver its promise, that is, better services at a lower overall cost.

Nonetheless, this would not change the fact that efficiency concerns played a considerable part in orienting governments toward outsourcing. This is best explained with reference to the appeal of the general idea of privatization, which has spilled over into every field from health care to, eventually, war.\footnote{Chesterman and Lehnardt, \textit{From Mercenaries to Market}, p. 1; Avant, \textit{The Market for Force}, p. 35; Singer, \textit{Corporate Warriors}, pp. 66-69.}

For Carafano, there is a further reason why reliance on contractors is almost unavoidable in the US context: despite the shortage of military personnel and plummeting defense spending, reinstatement of the draft is very improbable (pp. 56, 171-172). The draft, which was in effect between 1940 and 1973, was an exception in the US history – and an exception dictated by successive, large-scale wars. Policymakers saw conscription as the cheapest way of raising troops, which implies that the worth of conscription was instrumental; raising an army of citizens was never an end in itself (pp. 56, 171). The United States’ three-decade long draft was politically palatable because it was conceived as just, since “virtually everybody who could serve had to serve” (p. 56). Today, the size of the military and the draft-age population have changed such that, if the draft were to be reintroduced today, only a fraction of all eligible men would have to be conscripted (pp. 56, 171-172). Hence a draft today would be unjust and “socially divisive” (p. 56).

In any case, Carafano writes, conscription is at odds with the US voluntarist tradition, which has historically derived from the “anti-standing army ideology” (p. 6). In Anglo-American political tradition, a large standing army bears a tremendous risk, namely, it can be turned into an instrument of despotism and tyranny and, as such, it can overwhelm individual liberties (pp. 29, 31-32). Consequently, “peacetime conscription” is associated with “militarism and authoritarianism” in American political culture (p. 32). Accordingly, the convention has been one of keeping the standing army as small as possible without, of course, jeopardizing security (pp. 31-32). When the need arises, the military is to be supplemented, preferably by volunteers, and only subsequently by conscripts if it is absolutely necessary, as it was during the Civil War and World War II (pp. 29, 32, 56).

The whole story about military companies rising to prominence should not be only about economics and politics. In addition, the way wars are fought has certainly changed, which brings up the following question: are military companies somehow better adapted than national militaries to the reality of warfare in the twenty-first century? Unfortunately, none of the studies examined here dwells much on the relation between change in the technology of war and the rise of military companies. There are some
scattered remarks, but they do not add up to a definitive answer. Take Avant’s *The Market for Force*, in which this theme is taken up twice. She mentions the growing “technological sophistication of weapon systems” and writes that “more and more contractors have been hired to work with troops to maintain and support these systems” (p. 19). Then she cites a couple of examples, which, however, fall short of giving a comprehensive picture as to the relative weight of this factor for the transition to privatized wars. Then, elsewhere in the book, she holds that there have been changes in the nature of conflicts and that as a result certain previously nonessential tasks now occupy the forefront of security; the examples she gives are, again, the operation of sophisticated weapons systems and “policing”, which are among the services that private companies commonly offer (p. 3). Similarly, Singer notes that technological sophistication has brought about a “revolution in military affairs”, which “reinforce[s] private firms’ critical importance to high-level military functions” as states are unable to supply such high-tech services from within (p. 231). The essence of the revolution in military affairs is the integration of information technologies to warfare (pp. 62-63). What is so revolutionary about “information warfare” is that small, decentralized, nonstate units are better suited to taking full advantage of new technologies, which renders militaries more and more reliant on private service providers (p. 63). It is not a stretch to take Singer’s reflections to mean that we might be heading toward a new era in which states/regular militaries will no longer be “the most effective organizations for waging warfare” for the first time in modern history (p. 61).

Before concluding this discussion of the reasons for change, we should lastly take a look at Avant’s reflections on political control of force and how it is affected by privatization, which is the most intriguing part of *The Market for Force*. One of the cases she discusses here is the United States, which is an instance of a “strong state” that outsources many diverse military functions. The emphasis, though, is placed on the deployment of contractors in Iraq and how that alters the political process. Her account culminates in a number of conclusions: (1) privatization strengthens the executive as opposed to the legislature; (2) privatization impairs accountability and brings about less transparency; and (3) new actors get involved in the decision making process as a result of the privatization drive (pp. 62, 68, 82, 128-130, 145, 258-259).29

29 It seems that these three trends are most clearly observed in the case of the training of foreign militaries by private companies. In such cases, a military company has a foreign government as its client. Although this is a purely “private” matter in being a transaction between the
Especially the first two conclusions might be shown to be relevant to the discussion of the reasons for change, if we turn Avant’s theory upside down. To clarify, what Avant delineates as consequences of privatization can be reconceptualized as functional benefits to be gained from military contracting. In other words, the advantage of employing private military companies instead of regular military is that it is possible for the executive branch of government to evade congressional oversight and public accountability to a degree impossible within normal procedures of decision making. This is a heaven-sent opportunity for executives specifically when domestic support for operations is lacking. At times Avant too seems to opt for such an explanation. To demonstrate, she writes that

The use of PSCs [private security companies] is often regarded as a lower political commitment that reduces the need to mobilize public

supplier and the client, the US licensing system requires that this transaction be approved by the government in the first place (Avant, *The Market for Force*, pp. 149–150). In other words, US military companies cannot sell their services to clients abroad unless the government ascertains that the deal is in accordance with US national interests. The whole point about the redistribution of power among the branches of government is that the final decision about outsourcing and licensing is made by the executive and there is little congressional oversight (p. 128). In fact, Congress is not even informed about most contracts, since a congressional notification is needed only when the contract in question exceeds the $50 million mark (p. 151). However, Avant notes that this is far from an insurmountable obstacle if the executive is determined to override the legislature: when a contract is for more than $50 million, it is possible to partition it into several smaller contracts to avoid congressional scrutiny (p. 151).

This is how privatization of military functions disadvantages the legislature vis-à-vis the executive, resulting in a less transparent process of decision making, which in turn entails dwindling accountability. As for Avant’s third conclusion, the one about the actors who have come to possess preponderance in decision making, the most striking development is the emergence of military companies themselves as hefty players. Military companies are not merely usually the sole source of information that the executive has to rely on when deciding upon the technicalities of force deployment (p. 62); at the same time they endeavor to influence policymaking via lobbying – and they definitely constitute an important interest group that government are bound to reckon with. MPRI’s lobbying to get its contract with the government of Equatorial Guinea licensed is a case in point perfectly illustrating the clout of military companies as interest groups (pp. 154–155). When MPRI applied for a license to train the Equatorial Guinean military for the first time, it was turned down by US government on account of country’s poor human rights record. But the company did not give up and carried out a successful campaign to convince the decision makers that rapprochement with Equatorial Guinea was in the government’s best interest because, its dismal human rights record notwithstanding, the country had oil reserves the United States should take advantage of. Apparently these arguments resonated well, as the MPRI lobbying paid off; the contract with Equatorial Guinea was approved, albeit with an almost two-year delay. The fact remains though: a private company proved capable of affecting US foreign policy objectives.
support for foreign engagement activities. Indeed, congressional leaders and the public appear to be less aware, interested, and concerned about sending PSCs than sending US forces. The use of PSCs [...] makes decisions to use [...] force abroad less visible and less transparent. It thus enhances the authority of individual decision makers in the executive branch and reduces the processes of inter-agency cooperation and institutional wrangling.  

Therefore, there could be a political cost-saving logic behind the deployment of contractors. This could also be what Singer has in mind when in the postscript to Corporate Warriors he draws attention to “the irony that for all the focus on contractors as a private solution, the cost savings were political in nature”. And it is certainly Scahill’s contention, who writes that mercenaries are necessary tools for “offensive, unpopular wars of conquest”.

This is also about conduct of foreign policy, of course. On the basis of compelling evidence, Avant (along with some other analysts) contends that privatization of this sort furnishes the government with a new and much more “flexible” foreign policy tool. It is a flexible tool not only because it avoids Congress, it also has the advantage of deflecting criticism from the international community. MPRI’s training of Croatian forces during the Balkan conflict, which is cited by almost every one working in the field, is the paradigmatic example. The MPRI contract came when there was a UN arms embargo on Yugoslavian successor communities (pp. 101, 113). Hence it was impossible for any law-abiding government to provide military assistance in the form of training programs to any of the forces. There is some disagreement as to how the deal between MPRI and the Croats was struck, but there seems to be grounds to assume that it was the US government which advised the Croats to seek help from MPRI (p. 104, n. 120). The reason for this intervention is that the United States saw it in its interest to support (a coalition of) Croats and Bosnians against the Serbs (p. 104). Yet, in the face of the arms embargo, the government could not do this directly by, for instance, sending US forces to train the Croats or Bosnians. MPRI was the stand-in in this awkward situation. The MPRI training program was called the “Democracy Transition Program” and it was, on paper at least, designed to democratize and reorganize the Croatian military to bring it
nearer to NATO standards (p. 102). On the other hand, the rumor is that MPRI was not just training but at the same time helping the Croats plan an offensive attack on the Serbs (p. 103). As would be expected, MPRI denies this; nonetheless, many observers agree that it probably was MPRI which planned the attack (p. 103). In any case, the MPRI training program turned out to be a success; the ensuing Operation Storm by Croatian forces was an immense victory against the Serbians and a turning point in the making of the new Balkan landscape (p. 103). The strategic interests of the United States were thus fulfilled – without the US government getting involved.

This is what Avant calls “foreign policy by proxy” (pp. 104-113, 152-153). Thanks to proxies of this sort, the US government (and other governments, for that matter) has the leverage to “affect conditions abroad without mobilizing broad support for troops or (sometimes) even money” (p. 68). The opportunities private military companies create for foreign policy by proxy should also be regarded as a functional benefit of privatization and, as thus, a reason for governments’ opting for military contracting.

Modern mercenaries?

With the exception of Scahill, the analysts whose work I am examining here are resolute against the identification of contractors as mercenaries. It is fair to state that this is at least in part because they build on the internationally recognized definition of “mercenary”. This definition was crafted as an international response to the problems wrought by mercenary involvement in Africa during the decolonization period.34 From the 1950s to well into the 1970s, foreign soldiers for hire abounded in decolonizing Africa – the most well-known case is Congo in the 1960s, where French, British, and South African mercenaries were recruited to fight for a secessionist movement; and it was an Anglo-Belgian mining cartel which hired them in defense of its commercial interests.35 The international community was then urged to deal with the problem of mercenary involvement in conflicts, and the consequent legal arrangements aimed at banning the trade in “guns for hire”.

The use of mercenaries is thus outlawed by international agreements, that is, the Geneva Conventions\(^{36}\) and the International Convention against the Recruitment, Use, Financing, and Training of Mercenaries.\(^{37}\) According to the International Convention, a mercenary is someone who is specifically recruited for the purpose of participating in a concerted act of violence aimed at overthrowing a government or undermining the territorial integrity of a state, is motivated by the desire for private gain and material compensation, is neither a national nor a resident of the state against which such [an] act is directed, has not been sent by a state on official duty, and is not a member of the armed forces of the state on whose territory the act is undertaken.\(^{38}\)

This is obviously a very restricted definition. And this is not accidental, because the signatory states had an interest in keeping the definition as specific as possible so that they could use mercenaries in internal conflicts.\(^{39}\) It is equally obvious that private contractors do not qualify as mercenaries if we are to employ this legal definition. For one thing, contemporary contractors are not \textit{individual} mercenaries, but they have evolved into business enterprises, which are similar in form to any other sort of enterprise, having CEOs, shareholders, and the like.\(^{40}\) In addition to the “corporatization” of private military services,\(^{41}\) the analysts also underline that today’s contractors are employed by legal governments\(^{42}\) and that they are sanctioned by their parent states.\(^{43}\) All in all, the argument is that modern contractors are “market-driven”, “state-sanctioned”, and hence, legal.

\(^{36}\) Article 47 of the First Additional Protocol of 1977 deals with the issue of mercenaries.
\(^{37}\) This is a UN convention, which was opened to signature in 1989 but entered into force only in 2001 after many ratifications.
\(^{41}\) Singer, \textit{Corporate Warriors}, p. 40.
\(^{42}\) This is not necessarily the case, however. Singer notes that private military companies have worked for rebels, drug cartels, and even jihadist groups – the latter received military training in combat techniques and explosive devices from a British military company in the late 1990s: Singer, \textit{Corporate Warriors}, pp. 181, 220.
\(^{43}\) This is an overgeneralization too: the South African government chose to delegitimize private military companies by legislation in 1998: Lehnardt, “Private Military Companies and State Responsibility”, p. 139.
On the other hand, for some, the problem with the term “mercenary” is more analytical. For instance, Avant refrains from using the epithet precisely because it is a slippery term: it has been employed to describe anything from the Hessian troops to the adventurous individual men roaming Africa during Cold War years. This, Avant says, makes the term analytically quite unserviceable.44

There is yet another argument in favor of dropping the mercenary label. Contemporary private companies, the argument goes, simply do not do what “mercenaries” of the previous eras had done. As Avant writes, “today’s PSCs do not so much provide the foot soldiers, but more often act as supporters, trainers, and force multipliers for local forces”. In other words, the fact that (most) contractors are not engaged in combat operations is assumed to justify the distinction between traditional mercenaries and modern contractors. There seem to be at least two problems with this presumption. On the one hand, they may be small in number, but some private military companies do engage in combat. On the other hand, it can be plausibly claimed that noncombat functions are no less military. Not only did they used to be considered military functions to be performed (almost) exclusively by national militaries, it is also the case that both logistics support and training are there to facilitate actual combat.

**Disaggregating the industry**

It is easily discerned that there is a strong tendency in the literature to dissociate active/armed/offensive services from passive/unarmed/defensive services – as well as the companies that provide them. The distinction boils down to the opposition of combat and noncombat services and/or companies. Kevin A. O’Brien’s contribution to *From Mercenaries to Market* is a case in point. O’Brien distinguishes “contracted operations that aim to alter the strategic landscape and those that involving local – in the narrowest sense – immediate impact only” (p. 40). The former category denotes operations such as “defeating an insurgency, ending a war, undertaking peacekeeping or peace-enforcement operations, rescuing a besieged government” (p. 38), whereas the latter involves “nonfront-line” services such as “transport, force professionalization training, para-medical services, physical guarding, humanitarian aid, convoy protection, administration and logistics” (p. 40, n. 13). This corresponds to the much-employed distinc-

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tion, respectively, between private military companies (PMCs) and private security companies. According to O’Brien, companies that do aim at altering the strategic landscape – PMCs – are atypical of the industry (p. 29), as PSCs are now perceived as “the norm” (p. 35). This assertion to the effect that the industry is evolving into noncombat, security service providers is very typical of the literature. The problem, however, is that the practice of contracting in Iraq poses major challenges to the proposed distinction, as admitted by O’Brien himself alongside Sarah Percy, who seems to employ a similar typology. That is, the presence of “security” firms which are armed and which occasionally engage in combat-like operations in Iraq eludes this categorization.45

Much the same is true for Avant’s attempt at classifying the private military industry. Avant notes that the very same firm may provide different kinds of services to different clients, which makes classification on the basis of firm unconvincing. She instead suggests that contracts be taken as the unit of analysis (p. 17). She then distinguishes contracts that offer military services (“external security services”) such as operational support, military training, and logistic support from those offering police functions (“internal security services”) such as site security, intelligence, and crime prevention (pp. 16–21). Nonetheless, she admits that there is a grey area between the two sets of functions. This is the case, she writes, with contracts that offer counterinsurgency services. Companies that operate on such contracts carry out armed response against insurgent groups. Interestingly, she mentions Blackwater here. Given the fact that what Blackwater does in Iraq is mostly site and convoy security, its contracts would normally lie within the category of police functions. But in reality the company has been involved in offensive attacks against Iraqi insurgents “in ways that [are] hard to distinguish from combat” (pp. 21–22). And this is far from an aberration; on the contrary the presence of military companies in Iraq evinces a “blurring of the lines between policing and combat” (p. 22).

More promising is the classification proposed in Corporate Warriors. Singer thinks that binary oppositions such as active/passive, armed/unarmed, and offensive/defensive, which are used to differentiate the services provided by military companies, are not very fruitful for two important reasons: first, they ignore that there usually are transitions and some overlapping between the seemingly opposite pairs; secondly, they are based on an antiquated notion of “war” as, for instance, being armed

or otherwise does not make much difference today (pp. 89-90). It is also the case that this kind of classifications conveys the idea that the second terms in the oppositions are somehow less central to military practice; for Singer, however, this is an erroneous assumption – a so-called passive or unarmed activity may equally have “strategic effects” (p. 89). Singer instead proposes a three-tier typology of military companies: military provider firms, military consultant firms, and military support firms.

Military provider firms sell actual combat services in the form of either implementation or command; and, depending on the contract and the situation in hand, they may provide “stand-alone tactical military units” or smaller, specialized units to augment the public forces of the client country (pp. 92-93). The best examples are Executive Outcomes (South African) and Sandline International (British), which made headlines in 1990s helping the governments in Sierra Leone and Angola fight off armed rebels. Executive Outcomes, which is probably the most controversial privatized military firm, is the case that Singer examines in his study, and in reading his account it is easy to see why its operations in Sierra Leone and Angola aroused so much disturbance. First of all, the intervention of a private foreign actor as a belligerent party into someone else’s “war” seemed outrageous to the contemporary observers. Secondly, Executive Outcomes recruited exclusively from the bloodstained special operations personnel of the apartheid regime (pp. 102-103). Thirdly, the financially challenged governments of Sierra Leone and Angola could not actually pay for the services of the firm in cash or in installments; instead, Executive Outcomes was indirectly paid in oil and mining concessions – indirectly because it was an affiliated company, the Branch-Heritage Group, which was given mining privileges (pp. 104-105, 109, 117).

It is possible to observe that most analysts assume that Executive Outcomes is somehow an aberrent case; and they seem to read too much into company’s demise. That is to say, it is as though the company’s decision to dissolve itself (in 1999) is a sign that the industry is maturing and becoming a respectable (meaning, above all, noncombat) international player. On the other hand, Singer appears to see the matter in another light, because he writes that the closure of the firm in no way signaled the end of the military provider sector, which is still alive with many active firms (p. 118). Furthermore, unlike some others, Singer does not imply that provider firms are now employed by “failed states” of the third world. On the contrary, he writes that there are provider firms at work in Iraq, employed by the USA, doing “convoy escort and protection of key bases, offices, and facilities from rebel attack”, among which he cites Blackwater (p. 248).
Back to Singer’s typology: the second type, i.e., the consultant firms, provide military advice and training to armies (pp. 95-96). Singer points out that, although consultant firms are not engaged in actual combat, the services they provide have strategic impact on many regional hostilities, as evinced in the Balkans when the training Croatian forces received from a US firm (MPRI) eventually changed the balance of power in the region (p. 95). Singer focuses upon MPRI, a very high-profile American company, whose ranks are filled with the “highest levels of retired US military personnel” (p. 119). MPRI has had many contracts (both analysis and implementation) with the US military as well as with foreign militaries. The peculiar thing about MPRI is its close ties both to government and to current military ranks, which render the firm almost “a private extension of the US military” (p. 121). There is also a self-proclaimed company policy: never work for a foreign client unless that suits US foreign policy goals – this, too, brings the company into a cozy relationship with the government, which in turn has allegedly recommended the firm to some foreign allies (pp. 119, 121).

Finally, military support firms support troops in the field by providing “nonlethal aid and assistance, including logistics, intelligence, technical support, supply, and transportation” (p. 97). Many of these firms began in business as nonmilitary engineering firms and later diversified into military services (p. 136). Support firms comprise the largest sector in military services (p. 97). This has been a result of the confluence of the downsizing of the logistics units of national militaries and the almost contemporaneous upsurge in multinational operations (pp. 97, 147). This is especially the case with the US military, which was, in the early 1990s, “underresourced” and “overextended” at once with deployments in Africa, the Middle East, and the Balkans (p. 147). Singer notes that most studies on the subject of privatized military services do not examine this third kind of firm, because they take the services provided by the support sector to be no different from what “traditional contractors” conventionally do (p. 97). This is not so for Singer – what support firms do might seem “less mercenary”, but their services are nevertheless “military” as they are indispensable to military missions (pp. 97, 145-146). Here Singer takes up the United States’ favorite logistics support firm, Brown & Root Services (BRS), which accompanied US forces everywhere from Rwanda to Kosovo in the 1990s. With the advent of the “war on terror” BRS got some new lucrative contracts, including a contract for the construction of a military base in Central Asia, and it also helped build the Guantanamo detention camp in Cuba (p. 146). Then the company (now called KBR) signed a number of logistics contracts in Iraq, to an estimated value of $20.1 billion in total (pp. 246-247).
Before going on to the next section, it is worthwhile to say a few words on Blackwater, as it figures prominently in the discussions about classification. Blackwater is indeed an atypical case because, while military companies that do engage in combat are usually at pains to deny it, which surely is about the desire to be recognized as legitimate and respectable firms, Blackwater boasts about its military role. Blackwater’s history in Iraq is highlighted by a number of high-profile security contracts, the first of which came about in 2003 when the company was hired to provide personal security for pro-consul Paul Bremer. Other contracts then followed, as a result of which Blackwater came to provide security for “at least five regional US occupation headquarters”. In the course of these contracts, Blackwater was implicated in many suspicious incidents, all of which involved civilian Iraqi casualties; and the company was accused of misconduct. The company owner, Eric Prince, and its lawyers testified before congressional committees a number of times as a result; their defense was all about Blackwater’s role as part of the US military force: for them, Blackwater employees should be immune from prosecution, because if they were made liable, then this would impair “nation’s war-fighting capacity” (pp. 57, 300-301). The company could not restore its tarnished image, however, and changed its name in 2009 (it is now called Xe Limited) as part of an attempt at rebranding.

The employees

It is difficult to say that military contracting as a form of employment in any sense comprises a major concern for the studies under consideration. On the contrary, the issue is largely neglected or subordinated to other concerns. For instance, Avant takes up the issue summarily just a few times and in a very limited sense. She claims that contractors’ background is important in deciding how privatization affects social control, because if companies employ ex-soldiers, who therefore have been socialized into norms of human rights, the rule of law, and the like, there is a much greater likelihood that privatization of force will reinforce compliance with such values (pp. 60, 110-111, 130-131, 133). There is no further discussion of any other dimension of the composition of the workforce or working conditions in this almost 300-page book.

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46 Seahill, Blackwater, p. 133.
47 Ibid., p. 186.
This is not to say that no insight emerges from the books. There is some information regarding the type of employment, for instance. That is, Singer calls privatized military firms “virtual companies” because they have a very small number of permanent, full-time employees; when contracts are signed, positions are filled from companies’ databases of qualified personnel; and databases are usually supplemented by advertisements. Databases are nonexclusive; a special operations veteran may be on the databases of several companies, and may work for Blackwater on a contract and then for Triple Canopy on another.

There is not much information about the databases or the people included in them. Scahill notes that Blackwater’s database includes as many as 21,000 men (p. 433). Singer mentions MPRI’s database of 12,500 on-call personnel, 95 percent of whom are former US military personnel (p. 120). In more general terms, Singer writes that qualified people included in databases are predominantly former soldiers of all ranks from all over the world, who retired, left their forces, or were downsized and that they are mostly in their twenties or thirties (p. 76). And although he cites low pay and “diminishing prestige” as reasons for young people to leave armed forces and work for private companies (p. 77), he also mentions that this new industry “provides an employment opportunity for those [...] who have been forced out of public military activities for past misdeeds” (p. 221).

We know that ex-soldiers from the United States, the UK, and South Africa are featured extensively. There are grounds to assume that most of these men work for companies from their native countries. It can also be speculated that these men get jobs or get on the company databases through former colleagues in a fairly informal way. As for the rest, all the Fijians, Jordanians, Colombians, Chileans, etc., it is necessary to ask how they become affiliated with the companies. Apparently, there are some middlemen who recruit ex-soldiers and put them in touch with private military firms. This is at least true for Chilean ex-commandos who work for Blackwater in Iraq. Scahill reports that a firm called Grupo Tactico, which was founded by an ex-army officer from Chile, mediates between the ex-soldiers and Blackwater (2008: 246-265).

Until now, we have been talking about the elite security personnel who do convoy, site, or personal security. These men are on regular pay and, according to Singer, they are “paid anywhere from two to ten times as much as in the official army and the police” (2008: 74). Reading Scahill’s book, one gets the impression that there is a significant pay discrepancy on the

basis of nationality: Chileans appear to be the most expensive ex-soldiers of Latin America. For Scahill, this is because they had been seasoned in General Augusto Pinochet’s dictatorship.

The elite security personnel are in fact only a minority of contractors working in Iraq. There are thousands of people filling low-paid, unqualified positions, such as washing dishes or doing laundry. Carafano (p. 67) points out that less than 20 per cent of these contractors in Iraq are US citizens. As for the rest, there are not mostly Iraqis either. For instance, the majority of KBR employees in 2005 were shown to be “third-party nationals” with quite a number of people from the Philippines. The so-called third-party nationals are a major concern for the writer as they are “more at risk of abuse and exploitation” (p. 109).

The issue was brought to public attention when Cam Simpson of the Chicago Tribune wrote a report in 2005 on Nepalese menial workers employed in US military bases in Iraq. Workers were recruited by brokers in Nepal who did business with Middle Eastern firms providing workforce for KBR-run bases – the Middle Eastern brokers actually were subcontractors to KBR. Most of the men from Nepal were misinformed about their destination: they did not know that they would work in military bases in Iraq. Yet they could not leave: not only were they indebted to Nepalese brokers on the one hand, the Middle Eastern brokers had also seized their passports. The report pointed out that this was human trafficking (not the least because the Nepalese government prohibits its citizens from working in Iraq) and that KBR was denying responsibility as recruitment was done by its subcontractors.

The plight of third-country nationals working as contractors in Iraq is thus a pressing problem, so much so that the International Peace Operations Association (IPOA), the industry association formed with the leadership of the notorious Blackwater, has included the issue in its code of conduct stating that potential employees should be thoroughly informed about the nature of their employment, that they should be “treated with respect and dignity”, that they should not be paid less just because of their nationality, and that they should be free to terminate employment.49

And, finally, it should come as no surprise that contract employees are not unionized.50

49 Carafano, Private Sector, Public Wars, p. 110.
50 Singer, Corporate Warriors, p. 200, n. 20.
What to privatize?

Is there an unambiguous dividing line between military functions which are appropriate to privatize and those which are not? This question may be answered in a number of steps. First, one should inquire whether there are any inherently governmental functions which, therefore, should not be outsourced. Combat functions, for instance, can legitimately be regarded as one such. There have been numerous allegations, raised by the press, politicians, and analysts, that private companies do engage in combat in Iraq. The US Department of Defense was quick to respond, stating that “PSCs are not being used to perform inherently military functions and that contractors are utilized to free troops for offensive actions”.51 Similarly, Pentagon regulations stipulate that private contractors can use “deadly force” either in self-defense or when it is “necessary to execute their security missions, such as protecting embassy personnel, consistent with the tasks given in their contract”; yet launching “preemptive attacks” cannot be interpreted as one such mission since it is regarded an inherently governmental activity.52 So almost all – but apparently not all – forms of offensive action are beyond what contractors are entitled to do. But the problem is that functions such as personal and site security are indeed privatized in Iraq and most of the time it is difficult to tell offense from defense, because this is not a battlefield in the classical sense. As Lehnardt argues,53 in “low-intensity conflict” areas such as Iraq, where there are no clear frontlines, “protecting individuals and buildings can easily slide into participating in hostilities”. This might be one reason why the counterposition of PMCs and PSCs is so difficult to sustain.

Secondly, it may be the case that some functions are too critical or strategic to be left to the commercial sector. After all, it is possible to argue that a national military should be self-sufficient to a certain extent. This does appear to be a major concern, because according to the military doctrine, the US military is supposed to privatize only those services that are not “emergency-essential support” functions; that is, those functions which, if not immediately available, would not impair the military’s mobilization and wartime operations.54

51 Lehnardt, “Private Military Companies and State Responsibility”, p. 147, emphasis added.
52 Carafano, Private Sector, Public Wars, p. 48.
54 Singer, Corporate Warriors, p. 162.
Singer, though, asserts that the Pentagon did outsource certain mission-critical functions. He takes up weapons procurement and writes that, while the army is supposed to “achieve self-sufficiency in maintaining and operating new weapons systems within 12 months of their introduction”, in reality, the operation and maintenance of weapons are contracted out.\textsuperscript{55} Hence the military is depended on private companies in this crucial function. Finally, it is possible to speculate that certain functions are just too risky to outsource, because, for examples, there may be abuses. Abu Ghraib, for instance. Recalling the incident, Isenberg claims that tasks such as interrogation of prisoners are “too sensitive to be outsourced”; they should thus remain governmental functions.\textsuperscript{56} The reality is quite different, of course. To wrap up, although there is some notion in the military doctrine regarding what not to outsource, it has already been transgressed.

While members of the military, scholars, and journalists complain that past experience of contracting bred a massive problem of over-outsourcing, the industry is heading in new directions. Take Blackwater. Scahill writes that company’s latest interest is immigration and border security. Here, as always, the company is in tune with the neoconservative political agenda which calls for outsourcing of border-training programs (pp. 401-405). On the other hand, Blackwater aspires to diversify into a peacekeeping force which, they hope, will be hired by NATO or the UN; the company has already presented a detailed proposal to the UN regarding Blackwater deployment in Darfur (pp. 411-420). Meanwhile, a development of immense importance has already occurred: following Hurricane Katrina, Blackwater was deployed on US soil for the first time, and that was on a contract with Department of Homeland Security to protect federal reconstruction projects (pp. 60-61, 392-400). And it was not just Blackwater – other military companies too were in New Orleans, their employees fully armed and in battle gear.

\textsuperscript{55} Ibid.

\textsuperscript{56} Isenberg, “A Government in Search of Cover”, p. 92.