

Theorising the use of private military and security companies: a synthetic perspective

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This article seeks to systematise and advance the theoretical debate on the causes and conditions for the privatisation of security. Drawing on previous research on private military and security companies (PMSCs) and theories from International Relations and Comparative Politics, it reconstructs functionalist, political-instrumentalist and ideational explanations for why and under what conditions even ‘strong’ and democratic Organisation for Economic Co-operation and Development states (extensively) use PMSCs. An analysis of inter-temporal and cross-national (United States, British, German and French) patterns of security privatisation indicates that all the three theoretical models point out causes and conditions that are relevant for a comprehensive explanation, but none is sufficient alone. Therefore, the article uses both the models and the empirical evidence to propose a synthetic perspective, which treats different explanatory conditions and logics as complementary, rather than rival. Going beyond the atheoretical conclusion that a multitude of disconnected factors are in some way relevant for a comprehensive explanation of security privatisation, I develop a thin and a thick synthesis that rely on a domain-of-application approach and sequencing, respectively. The thin synthesis spells out how different explanatory factors operate in specific domains, whereas the thick synthesis elaborates how different conditions and mechanisms apply to different phases of security privatisation and how they interrelate.

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Introduction

For the past two decades, even ‘strong’ and democratic Organisation for Economic Co-operation and Development (OECD) states, which command considerable military resources, have increasingly used private military and security companies (PMSCs) for the provision of security services in zones of conflict, thus contributing to a privatisation of security (Avant 2005; Krahnman



2008; Singer 2008; Spearin 2008). Understanding why and under what conditions states use PMSCs — conceived as private firms that sell as commodities professional security services directly or indirectly linked to warfare — is a crucial analytical task. The privatisation of security constitutes one of the most fundamental transformations of ‘Westphalian’ order and Western statehood, affecting the very core of modern conceptions of state sovereignty.

Although the literature on PMSCs has flourished in recent years, we still have relatively little theoretical and empirical knowledge of the causes and conditions for (varying levels of) states’ use of PMSCs. A large number of insightful studies on the consequences of PMSCs’ boom analyse how their use has impacts on the state’s control over the use of force, on the nature and quality of security provision, as well as on the democratic accountability of governments concerning decisions to use force (Shearer 1999; Avant 2005; Krahmman 2008; Avant and Sigelman 2010; Deitelhoff 2010; Deitelhoff and Geis 2010). Others focus on problems and shortcomings in the national, international and transnational regulation of PMSCs (Krahmman 2005; Schneiker 2007; De Nevers 2009a, b; Leander 2010). At the same time, the causes and conditions for the use of PMSCs are still under-researched and under-theorised in important aspects. To be sure, scholars have mentioned numerous structural conditions and motivating rationales for states’ contracting with PMSCs, such as transformations in warfare; the end of the Cold War and ensuing changes in the supply and demand of security; a growing belief in the superior effectiveness of market-based ‘solutions’ to public policy problems; the presumed cost-efficiency of outsourcing; and governments’ desire to bypass democratic control over the use of force (Avant 2005: 30–38; Binder 2007; Rosén 2008; Singer 2008: 49–70; Deitelhoff 2010; Krahmman 2010: 21–83; Petersohn 2010, 2011).

However, these accounts, some of which are quite compelling and do inform the theoretical reasoning in this article, are rarely embedded in explanatory models that unfold theoretical mechanisms or logics of privatisation and make these explanations amenable to comparative intertemporal, cross-national and cross-sectional analysis. Most comprehensive studies on PMSCs merely point to a multitude of (more or less disconnected) reasons or drivers of privatisation. This is unfortunate, not only because existing accounts of privatisation often rely implicitly on structural or behavioural theories, but also because they do not tap their potential for comparative empirical analysis. What is more, different stories about the use of PMSCs have different implications for scholarly and political conceptions of the evolution and social malleability of privatisation.

Thus, the major objective of this article is to systematise and advance the theoretical debate on the causes and conditions for the privatisation of security; for that purpose, the article also compiles and assesses substantial amounts of quantitative and qualitative empirical data on security privatisation in four major OECD countries: the United States (US), the United Kingdom (UK),



Germany and France. More specifically, through a theoretical reconstruction of existing explanations and an empirical analysis of intertemporal and cross-national patterns of security privatisation in the US, the UK, Germany and France, I propose a synthetic perspective on security privatisation, which treats different explanatory conditions and logics as complementary rather than rival. Thus, the article seeks to overcome a still-widespread monocausal mania in theory-driven (positivist) security studies, while not contenting itself with the conclusion, at least as common but theoretically dissatisfying, that a multitude of disconnected factors all matter ‘some way or another’ in a comprehensive explanation of security privatisation. Instead, the proposed synthetic perspective relies on the methodological techniques of the domain-of-application approach and sequencing (Jupille *et al.* 2003) to spell out which explanatory factors operate in particular domains of security privatisation (thin synthesis), and to elaborate which conditions and mechanisms apply to different phases of security privatisation and how they interrelate (thick synthesis).

I unfold this synthetic argument in three major steps. From previous research on PMSCs and more general theories from International Relations (IR) and Comparative Politics, I *first* reconstruct functionalist, political-instrumentalist and ideationist explanatory models for the privatisation of security by ‘strong’ and democratic OECD states. The reconstruction of these distinct theoretical models is useful for systematically mapping this field of research as the three models condense the main stories told by the private security literature about the driving forces for the use of PMSCs. Further, the models also reflect three main theoretical currents in the more general (global) governance literature. Thus, the reconstruction of the theoretical models serves to sum up and systematise the multiple reasons for the use of PMSCs that are mentioned in the literature; at the same time, it promotes a more theory-oriented analysis of the privatisation of security that engages with current theoretical debates in IR and Comparative Politics. In the *second* step, I present an analysis of common trends and cross-national variation in the use of PMSCs by the US, the UK, Germany and France from the perspective of the three theoretical models. The main point of this analysis is *not* to test rigorously which model explains most variation over time and across countries, but to determine the relatively most powerful ‘winning’ theory. Rather, I aim to demonstrate that monocausal theorising of PMSC use is deficient as none of the models seem wholly satisfying on their own, but all spell out causes and conditions that are relevant for a comprehensive explanation. However, in the *third* major part of the article, I argue that the consequence of these findings should not be simply to return to the conclusion that multiple causes somehow play a (highly idiosyncratic) role in decisions (not) to privatise security. Instead, I draw on the methodological techniques of the domain-of-application approach and sequencing (Jupille *et al.* 2003) to propose



a thin and a thick theoretical synthesis, respectively, which are based on both the explanatory models and empirical evidence. The thin and thick syntheses are useful for different kinds of research questions in the realm of security privatisation. While an empirical ‘test’ of them is outside the scope and rationale of this article, I sketch avenues for future research along the lines of both the thin and the thick synthesis in the conclusion.

Reconstructing theoretical models on the privatisation of security

Functionalist model: complexity, cost-efficiency and resource dependence

A functionalist model of problem-driven privatisation conceives of the increasing use of PMSCs as a means for the effective and cost-efficient pursuit of states’ security goals (Kinsey 2006: 51–57; Carmola 2010: 41–45, 55–60; Petersohn 2010: 533–4; Taylor 2011: 449–50). From this perspective, the reliance even of strong OECD states on PMSCs is a consequence of new functional demands on, and challenges to, the effective provision of security, that is, the changing nature of increasingly asymmetric warfare after the end of the Cold War, as well as the revolution in military affairs. Moreover, the privatisation of security is driven by growing defence budget-saving pressures because of increased costs — especially for high-technology warfare — and defence budget cuts (Avant 2005: 31–34; Kinsey 2006: 95–96, 2009: 31; Ballard 2007: 46–47; Singer 2008: 60–66; Carmola 2010: 54–60; Cutler 2010: 163; Deitelhoff 2010: 190).

From the perspective of the functionalist explanatory model, which rests on a combination of principal–agent theory (Pollack 2003; Hawkins *et al.* 2006) and resource-dependence theory (Pfeffer and Salancik 2003; Nölke 2004; Kruck 2011), rational governmental actors (principals) strive for effective and cost-efficient ‘solutions’ to security problems by delegating security-related tasks to PMSCs (agents). The model argues that under the complexity-enhancing conditions of deep and rapid technological changes in warfare, volatile security environments and asymmetric violent conflicts, states — and, more specifically, their armies — do not always possess all the skills, qualifications and expertise that would be necessary for effectively managing their security problems. Thus, states increasingly contract with PMSCs because they lack material or immaterial military and security resources essential for effectively achieving their security goals and are thus in a situation of dependence on PMSCs’ resources (Zamparelli 1999; Donald 2006: 7; Deitelhoff 2008). At the same time, because of budgetary constraints and saving pressures, cost-sensitive ministries of defence and militaries balk at the expense of building up and continuously sustaining a military resource base that would be sufficient for autonomously dealing with their security problems. In the face of mounting costs of armament technology and decreasing overall defence budgets, they feel pressurised to



realise costs-savings and to ensure military operability through enhanced efficiency and concentration on core military tasks.

States (principals) thus delegate security-related and military tasks, and ensuing political authority, to PMSCs (agents) in order to tap PMSCs' resources. Contracting with PMSCs enhances states' capacity to respond quickly and flexibly to complex security problems and bolsters their adaptability in the face of changing challenges and technologies of warfare, while reducing economic costs. PMSCs serve as flexible expert agents that are specialised in the relevant fields. Because of their professional expertise, skills and short-term availability, they are expected to enhance the effectiveness of security provision. Moreover, privatisation also promises gains in economic efficiency through functional specialisation, the reduction of transaction costs in the build-up and maintenance of military expertise, the reduction of administrative costs and cuts in permanent costs for personnel, as well as the activation of competitive market pressures (Donald 2006: 7; Kinsey 2006: 52–56; Ballard 2007: 47–48; Cockayne 2007: 198; Deitelhoff 2010: 190; Petersohn 2010: 533–4; see Pollack 2003: 23, 28–29; Hawkins *et al.* 2006: 13–15, for general accounts of delegation to specialised agents). As the use of PMSCs also creates costs, including financial expenditures for the outsourced services, as well as transaction costs in the selection, monitoring, coordination and (if necessary) sanctioning of PMSCs, rational governmental actors will only contract with PMSCs if the anticipated benefits from making use of PMSCs' valued resources are larger, in terms of effectiveness and economic efficiency gains, than expected material costs.

Two specific hypotheses on the quantity and quality of security privatisation can be deduced from this functionalist reasoning: a complexity and a cost-efficiency hypothesis. The complexity hypothesis holds that *the more complex the technological and operative contexts of warfare, the higher the dependence of public actors on PMSCs' material and/or immaterial resources, and the more states will make use of PMSCs. By implication, states will first and foremost outsource highly complex tasks.* The cost-efficiency hypothesis holds that *the higher the defence budget-saving pressures and the higher the anticipated economic gains from privatisation, the more states will rely on the services of PMSCs. States will first and foremost outsource tasks for which there is a competitive private market.*

Political-instrumentalist model: reduction of political costs

In contrast with this functionalist view, the political-instrumentalist model conceives of privatisation as a strategy of governments to reduce political costs rather than enhance problem-solving effectiveness and economic cost-efficiency (Avant 2005: 60; Chesterman and Lehnardt 2007: 252–3; Avant and Sigelman 2010; Carmola 2010: 45–50, 90–91; Deitelhoff 2010: 198–9; Deitelhoff and Geis 2010). The use of PMSCs serves as an instrument for the



reduction of political costs accruing to governments from warfare in the context of democratic politics.

The political-instrumentalist model relies on the principal-agent literature on accountability-evasion, responsibility-shirking and blame-shifting as motives for delegation (Hood 2002; Flinders and Buller 2006; Bartling and Fischbacher 2012). According to this strand of principal-agent research, delegation may be a rational strategy for political cost-sensitive actors who seek to avoid accountability for (potentially) controversial or unsuccessful policy decisions and measures. The model also draws analogies from IR scholarship that has conceived of international cooperation through intergovernmental organisations as a ‘new *raison d’état*’ (Wolf 1999), that is, a deliberate strategy that allows governments to enhance their autonomy from parliamentary and societal actors as the intergovernmental arena is largely insulated from effective political control.

According to the political-instrumentalist model, governments are not mere transmitters of societally dominant interests but follow their own governmental interests and logics. They seek to keep or even expand their policy autonomy from other legislative and judiciary actors, as well as the broader public. From this perspective, the privatisation of security is a genuinely political and instrumentalist strategy of governments in strong and democratic states (Binder 2007: 307–8) that serves to avoid politically costly parliamentary, civil society and media scrutiny, opposition and control in the area of security policies. Democratic oversight and control mechanisms are politically costly because they increase transparency and reduce governments’ autonomy. They render decision-making and implementation more time-intensive and cumbersome, less calculable and, ultimately, more risky for governmental actors. Moreover, research on the ‘Democratic Peace’ has shown that democratic electorates are casualty-sensitive (Schörning 2008); that is, fallen soldiers can undermine electoral support for military operations and even for incumbent governments, which limits governments’ political leeway in matters of security policy. Failed and/or illegal military interventions can endanger incumbents’ re-election in democratic systems and may sometimes even force them to resign (Cockayne 2007: 206, 212; Carmola 2010: 45–60; Deitelhoff 2010: 198–9).

By shifting security tasks from the public to the private sphere, governmental actors seek to reduce (further) the transparency of decision-making in the realm of security policy, diffuse accountability, circumvent democratic and legal control mechanisms and thus enhance their political autonomy in decisions concerning the use of military force. The use of PMSCs thus increases the power of governments *vis-à-vis* their parliaments (Avant 2005: 60; Avant and Sigelman 2010; Deitelhoff and Geis 2010). Highly political security measures are ‘depoliticised’, that is, removed from contested and (at least somewhat) transparent parliamentary, civil society and media debates. Transferring the execution of security functions to PMSCs may help governments to hide the



origins, extent and consequences of unpopular decisions from other state organs and broader constituencies (Cockayne 2007: 212). Thus, privatisation serves to cover or downplay the roles and responsibilities of governments. In extreme cases, the responsibility for controversial or unpopular policies is shifted to private actors — this may be attractive and succeed reasonably well if the appearance of a distance between the government and PMSCs can be upheld. PMSCs may then allow for covert foreign policy not approved of by the national public (Deitelhoff 2010: 198). Governmental actors profit from the lesser transparency, the weaker oversight and regulation, as well as the lower media profile of PMSCs compared with public armed forces (Chesterman and Lehnardt 2007; Schneiker 2007; Cutler 2010). In the absence of major scandals, PMSCs are still relatively low-key agents who fly under the radar of public scrutiny and are more or less insulated from intense public contestation and control. Their lack of transparency and accountability to parliaments and the broader public suits the governmental strategy of depoliticisation by delegation (Flinders and Buller 2006).

Obviously, governments' desire to reduce political costs through outsourcing would need to vary if it is to account for variation in the use of PMSCs. From a political-instrumentalist perspective, the crucial context variable that conditions governments' desire to reduce political costs by delegation will be the anticipated political costliness of the decisions and measures that are to be taken, that is, their (un)popularity in the broader public. Thus, we can hypothesise from a political-instrumentalist perspective that *the less popular a military operation among the domestic audience, the greater will be the incentives of governmental actors to reduce political costs and the higher their propensity to rely on the security services of PMSCs. States will first and foremost outsource politically and societally controversial tasks to PMSCs.*

Ideationist model: norms, ideas, and conceptions of the state

In contrast to the previous models, the ideationist model does not locate the causes of privatisation in material conditions, but points to the prevalence of the ideas-system of neoliberalism. This has led to widespread preferences for privatisation and market-based 'solutions' to public policy problems. The issue-area of security is no longer an exception to this trend, as neoliberal market-based modes of governance have diffused not only geographically, but also functionally from economic policy into other policy areas. However, varying *laissez-faire* liberal and state-interventionist conceptions of the appropriate relationship between the state and the market in the provision of security governance — broadly conceived as a mode of security policy that is not *a priori* confined to states but may include multiple actors — operate as national filters for the transnational diffusion of neoliberal norms and ideas



(Avant 2005: 35; Leander and van Munster 2007; Singer 2008: 66; Deitelhoff 2010: 180–1; Krahmman 2010; Petersohn 2010, 2011). PMSCs do not only profit from prevailing neoliberal norms and ideas, they also actively take part in framing and establishing the privatised provision of security as a ‘normal’ and ‘proper’ mode of governance.

Claiming that the transnational trend towards privatisation cannot be reduced to atomistic rational choices but emerges from normative and mimetic isomorphism, the ideationist model rests on core arguments from sociological institutionalism (Finnemore 1996; Finnemore and Sikkink 1998; Petersohn 2011). In accordance with this view, country-specific differences result from diverging domestic norms and ideas producing variation in compliance and the interpretation of transnational norms and ideas (Finnemore and Sikkink 1998: 893). The model also draws on constructivist research on the discursive (legitimising and normalising) power of non-state actors (Fuchs 2005; Leander 2005, 2010).

From an ideationist’s perspective, conceptions of what constitutes proper and normal modes of security governance are first and foremost shaped by transnational and national norms and ideas defining the appropriate roles of state and non-state (market) actors in fulfilling security functions. Principled and causal convictions rooted in the ideas-systems of neoliberalism and state-interventionism create cognitive and normative, conscious or unconscious, biases for policy options that are easily linkable to the prevailing ideas-system and thus lead to different dispositions towards or against the privatisation of security (Leander 2005; Leander and van Munster 2007). In this view, the transnational diffusion of neoliberal policy ideas has increasingly undermined normative biases for the state provision of security governance (Avant 2005: 35; Singer 2008: 66) — to the point that the privatisation of non-core functions has become part of a transnational model of lean armed forces that are focused on their ‘core tasks’ (Petersohn 2010: 537). However, different national conceptions of the appropriate relationship between the state and the market in the provision of (security) governance operate as impeding or catalysing forces for the national diffusion and implementation of the transnational neoliberal model of armed forces (Krahmann 2010: 12–13; Petersohn 2010: 538–9). A conception of the state that is built on *laissez-faire* liberalism is sceptical about the concentration of competencies and power resources with the federal state and aims at a minimal state, which leaves as many tasks as possible to the individual or the private sector. By contrast, an interventionist conception of the state has less confidence in the steering capacities of the market and considers necessary interventions of a state that is rich in competencies and resources. In the state-interventionist conception, crucial governance functions affecting the common good must be fulfilled by the state.

Countries with a (predominantly) *laissez-faire* liberal conception of the state will be more likely to implement a neoliberal model of lean armed forces



consistently and to privatise security functions extensively, whereas countries with a state-interventionist conception of the state will be much more reluctant to do so. This is not least because of the fact that alternative conceptions of the state influence the legitimacy, the epistemic authority and thus the political influence of proponents and sceptics of security privatisation (Cutler 2010). PMSCs and advocates of their use from the military and state bureaucracies act as discursive entrepreneurs forming public–private privatisation coalitions. They will be the more successful in justifying and normalising privatised provision of security the more their practices and arguments are embedded in a macro-ideational context of *laissez-faire* (neo)liberal ideas and the more they can draw on this reservoir of privatisation-friendly ideas (Leander 2005; Leander and van Munster 2007).

Thus, the following ideationist hypothesis can be formulated: *The more the prevalent conception of the state is shaped by laissez-faire (neo)liberal rather than state-interventionist ideas and norms, the more a privatised provision of security will be accepted as legitimate, proper and even ‘normal’ among political decision-makers and their electorates, and the more extensively the state will use the security services of PMSCs. Outsourcing of activities affecting military core functions will occur later, more slowly and more reluctantly than will be the case with non-core functions, as neoliberal ideas diffuse first to the margins of armed forces’ activities before they may migrate into core military areas of warfare.*

Confronting theoretical models with empirical patterns of security privatisation

To assess the empirical usefulness and blind spots of the above theoretical models, I confront them with common trends and cross-national differences in the use of PMSCs by four major OECD countries, namely the US, the UK, Germany and France. I draw up four country profiles describing quantitative and qualitative levels of security privatisation. For that purpose, key *quantitative* indicators include the ratio of PMSC employees to public armed forces in conflict zones and the budgetary expenses for private contractors (in absolute sums and, more importantly, in relation to overall defence spending). The *qualitative* intensity of privatisation is reflected in the functional scope and the relative prevalence of different types of services states buy from PMSCs. In particular, a distinction is made between military core and non-core functions, with the former including combat, command and control functions, global intelligence and reconnaissance, as well as strategic transport and force projection (Petersohn 2006: 12–15).

On the basis of the comparative privatisation profiles, I assess the extent to which the three models can plausibly account for intertemporal and



cross-national (US, British, German and French) patterns of privatisation. This is not meant to be a competitive theory test that would identify the (relatively) most powerful ‘winning’ theory. Rather, the analysis should help uncover explanatory strengths and weaknesses of all the three theoretical models, thus paving the way for a complementary perspective to be pursued later in the article.

Quite evidently, the US, UK, German and French cases are empirically relevant in their own right as they concern four major OECD states. What is more, the selected cases give reason to believe that the conclusions about the strengths and weaknesses of the theoretical models and about the promise of a synthetic perspective should apply to a broader range of ‘strong’ and democratic OECD countries. The selection of cases includes data-rich cases such as the UK and the US, for which the contemporary and historical use of private contractors is well documented. This allows for a longer-term perspective on security privatisation, thus enhancing intertemporal within-case variance. Moreover, the selection of cases takes into account that a convincing explanation should be able to explain both (very) high levels of security privatisation (as in the US and British cases) and low levels (as in the German and French cases). As a satisfying explanation should grasp stark differences (e.g., between the US and Germany) *and* more subtle variations (e.g., between the US and the UK), the selection of cases also represents both large and small differences in privatisation policies. Finally, it is helpful that the US and the UK cases are extreme cases. This makes it unlikely that the analysis would overlook relevant causes of security privatisation that are not covered in the three models, because in extreme cases such factors should be present in abundance and thus relatively easy to detect. This is of key importance for the project of developing a comprehensive explanation out of reconstructed theoretical models *and* empirical evidence.

The use of PMSCs by the US

Comparing the ratios of contractor to US public military personnel for the major US-fought wars from the Revolutionary War to the Iraq War of 2003, it is evident that the large-scale use of private contractors to support warfare is not a novelty *per se*. Nonetheless, the 1:1 ratios for the conflict in the Balkans and the Second Iraq War are unprecedented. In Afghanistan, there were times when three private contractors hired by the Department of Defense (DoD) were present for every two US soldiers (Table 1; Congressional Budget Office 2008: 13–15; Cutler 2010: 162; Schwartz 2010). Up to 200 PMSCs worked in Iraq, with the total number of private contractors amounting to 190,000 (Government Accountability Office 2006: 2; Singer 2008: 245; Isenberg 2009: 17; Deitelhoff 2010: 191). More than 100 firms and about 100,000 private contractors were active for the US in Afghanistan (Schmeidl 2008: 11–12;



Table 1 Presence of contractor personnel in US military operations

| <i>Conflict</i> | <i>Contractor personnel (Thousands)</i> | <i>Public military personnel (Thousands)</i> | <i>Ratio of contractor to military personnel</i> |
|----------------------|---|--|--|
| Revolutionary War | 2 | 9 | 1:6 |
| War of 1812 | n.a. | 38 | n.a. |
| Mexican–American War | 6 | 33 | 1:6 |
| Civil War | 200 | 1,000 | 1:5 |
| Spanish–American War | n.a. | 35 | n.a. |
| World War I | 85 | 2,000 | 1:24 |
| World War II | 734 | 5,400 | 1:7 |
| Korea | 156 | 393 | 1:2.5 |
| Vietnam | 70 | 359 | 1:5 |
| Gulf War | 9 | 500 | 1:55 |
| Balkans | 20 | 20 | 1:1 |
| Iraq Theatre | 190 | 200 | 1:1 |
| Afghanistan | 100 | 65 | 1.5:1 |

Sources: Congressional Budget Office (2008: 15); Schmeidl (2008: 11–12); Schwartz (2010: 1, 13).

Ménard and Viollet 2012: 10–11). Armed PMSC personnel accounted for 20 per cent (in Iraq) and 30 per cent (in Afghanistan) of all armed intervention forces (Krahmann 2010: 208; Schwartz 2010: 14–5; Ménard and Viollet 2012: 10–11).

Between 2003 and 2007 alone, the US spent 85 billion US dollars (almost 20 per cent of their total spending on the Iraq War) for private military and security services in Iraq while entering into contracts worth at least 10 billion US dollars for the Afghanistan War (Congressional Budget Office 2008: 2). Figures of overall spending on DoD contractors indicate that after the DoD had initiated an outsourcing programme in 1996, expenses for private contractors increased by 143 per cent, from 43 to 113 billion US dollars within 10 years (Kinsey 2006: 2; Cutler 2010: 158; Krahmann 2010: 129–30). This trend continued until recently: Between 2001 and 2010, expenses for private contractors rose by 137 per cent. In 2010, the DoD spent around 200 billion US dollars for private services, that is, 30 per cent of the overall defence budget, thus surpassing spending on uniformed personnel by 50 billion.

Most recent trends indicate some movement back towards insourcing though. In 2009, the then-Secretary of Defense, Robert Gates, announced a reduction in the overall share of private contractors among the DoD employees from 39 per cent to 26 per cent (returning to the level in 2001) and the replacement of private contractors with public staff when it comes to the fulfilment of



‘inherently governmental’ DoD functions (Gates 2009). In April 2010, the DoD issued an instruction (Department of Defense 2010) establishing more concrete policies and manpower-mix criteria that, if implemented consistently, should result in some shift back to public personnel in the public–private force mix. Moreover, there is an increasingly salient discussion in the US Congress about the limits to outsourcing. It still remains to be seen, though, how this more cautious approach will eventually be implemented.

Not only the quantity, but also the quality of the use of PMSCs has changed over the past two decades. The scope of PMSCs’ services has considerably broadened (Petersohn 2006: 21; Krahnmann 2010: 138). A third of all US weapons systems (including bombers, helicopters, and missile systems) are maintained or operated by private contractors (Singer 2005: 121; Deitelhoff 2008). PMSCs provide nearly the complete logistics for deployed troops, ranging from site construction and housing to postal services, provision of supplies and transportation of personnel and material. They protect military facilities, corporate enclaves, convoys and diplomats and take over military police functions (Petersohn 2006). They support intelligence, conduct interrogations of detainees, train foreign military and police forces on behalf of the US and provide consultancy (Deitelhoff 2010: 191; Krahnmann 2010: 205–7). PMSCs have contributed to war-gaming and field-training US troops. In Afghanistan, they were hired for mine clearance and destruction of poppy fields (Schmeidl 2008).

PMSCs have moved beyond mere logistical support closer to the frontline, working frequently side by side with US soldiers (Deitelhoff 2010: 190). Although there is no sound evidence of PMSCs being hired for ground combat operations, it is clear that in their role as armed guards PMSCs used armed force and were incidentally involved in violent clashes. Moreover, PMSCs participated — to a limited extent — in combat activities by operating weapons such as unmanned drones and missile systems. After all, the activities of PMSCs have extended into military core functions (Petersohn 2006: 12–21), although logistical support has been the most prevalent type of contracted services. Notably, recent DoD policies suggest more reluctance to outsource ‘inherently governmental’ core military functions (Department of Defense 2010).

The use of PMSCs by the UK

Similar to the US, the UK has increasingly used PMSCs for the past two decades. The quantitative level of security privatisation is high, though not on par with the US (Donald 2006: 12–22; Kinsey 2006: Chapters. 5 and 6, 2009: 91–114; Giscard d’Estaing and Cazeneuve 2011: 63; Krahnmann 2010: 201–4, 214). During the 2003 Iraq invasion, 2,000 employees of PMSCs operated next to 46,000 British soldiers. In the post-invasion years, the ratio of PMSCs to



public armed forces shifted from 1:23 to 1:2, with 2,200 contractors of the Ministry of Defence (MoD) working alongside 4,100 British soldiers in 2008. From 2003 to 2008, the Foreign and Commonwealth Office (FCO) alone spent at least 137 million pounds for personnel and site security, as well as the training of police forces in Iraq (Isenberg 2009: 32; Kinsey 2009: 109). Overall, the UK uses 25 per cent of its defence budget, that is, almost 8 billion pounds, for services provided by private contractors (Giscard d'Estaing and Cazeneuve 2011: 11). Private military and security services account for 30–40 per cent of British spending on overseas military operations (Krahmann 2010: 201–2).

Qualitatively, the UK relies on a more narrow range of private security services than the US. The MoD generally keeps a distance from armed PMSCs, which can be traced back to the 1990s when the PMSC Sandline, with the knowledge of the FCO, imported weapons to Sierra Leone in violation of an United Nations arms embargo, causing a major political scandal (Kinsey 2006: 104–5, 2009: 105–8; Taylor 2011: 448). Armed protection of military installations and officials, military training, operation of weapons systems, as well as intelligence activities, are rarely outsourced to PMSCs (Krahmann 2010: 202–3). However, the FCO and the Department for International Development have relied on armed private guards for site and personnel security, as well as for the training of local police forces in Iraq and Afghanistan (Kinsey 2009: 109–11). However, the main functional areas where PMSCs have been used in Bosnia, Kosovo and Iraq are in technical and logistical support (Kinsey 2006: 9, 2009: 91–114). Transport, logistics, maintenance and repair work, as well as communication services, are extensively provided by PMSCs (Krahmann 2010: 202–4, 214). Since 2004, the MoD has outsourced virtually the whole range of overseas military logistics to the private contractor KBR under the CONLOG (contractor logistics) arrangement. Private support activities include not only low-skill services such as the provision of supplies, site construction and waste disposal, but also the maintenance and repair of high-technology weaponry, aircraft, vessels and land vehicles. Further contracts have been awarded to mine-clearance firms (e.g., after the Kosovo conflict, 1999–2001) and the private consortium AirTanker, which, since 2008, has offered the Royal Air Force needed capacities in aerial refueling, air transport and the training of crews (Kinsey 2006: 105; Giscard d'Estaing and Cazeneuve 2011: 63).

Although domestic privatisation of security — including the management of bases, ports and garrisons, maintenance and repair work, IT communications and the co-financing of military installations and equipment — is a long-term, well-established project with its roots in the 1980s, the extent of PMSCs' involvement in military operations abroad is rather new (Kinsey 2009: 92; Krahmann 2010: 2, 84). Although the prevalent types of services may appear relatively uncontroversial and overall less central to warfare than in the US case, PMSCs have nonetheless played a key role for British force projection



and operability in Iraq and Afghanistan, establishing themselves as ‘a non-military core component that makes up part of the force structure’ and ‘part of the decision-making process as to whether an operation should go ahead’ (Kinsey 2009: 104).

The use of PMSCs by Germany

In replies to several parliamentary interpellations between 2005 and 2011, the German government has consistently stressed that Germany does not use private ‘military services’ in zones of conflict (German Federal Government 2011). Nonetheless, the German armed forces do hire private contractors for logistical services and also armed protection tasks abroad. Although it is clear that both non-armed and armed PMSCs support German missions, there are unfortunately no exact numerical data. In the light of the range of PMSCs’ activities, a moderate (three-digit) number of private contractors and a clear predominance of public armed forces (up to 4,500 in Afghanistan) seem realistic. A look at spending figures reveals that expenses for private security services have substantially increased (Krahmann 2010: 210–15). Whereas the German armed forces hardly used private contractors in the 1990s, this has changed in the past decade: in 2008, 1.4 billion euros were spent on private services; in 2011, it was even 1.6 billion (Petersohn 2010: 532; Giscard d’Estaing and Cazeneuve 2011: 11). Nonetheless, the 5 per cent share of expenses for private services in the overall defence budget is still modest when compared with the 25 per cent in the UK or the 30 per cent in the US (Giscard d’Estaing and Cazeneuve 2011: 11). In the framework of the North Atlantic Treaty Organisation’s (NATO’s) Strategic Airlift Interim Solution (SALIS) Programme, Germany committed itself to use at least 750 flight hours a year, amounting to yearly costs of around 20 million euros. In this programme, Russian and Ukrainian firms, as well as a German subsidiary, have transported heavy military vehicles and equipment to zones of conflict, for example to Afghanistan (Singer 2005: 120).

Abroad, PMSCs have mainly been relied upon as guards and in the areas of logistics and technical support. The latter services include: provision of supplies; transport of supplies, field post and personnel; maintenance and repair of equipment, vehicles, field camps and other material; construction services, for example construction of the field camps in Kosovo and the Democratic Republic of the Congo (DRC); waste disposal; cleaning and laundry services (e.g., in the DRC); telecommunications; and training of personnel in the use of equipment and IT devices (Krahmann 2010: 210–11, 214; German Federal Government 2011). Germany made a rather extensive use of private air and naval transport capacities in the Afghanistan, Kosovo and DRC conflicts. Moreover, the German military relied on PMSCs for satellite intelligence in the Kosovo War, maintenance of armoured weapons carriers in



Afghanistan and protection of the camp in Faisabad. Domestically, the German armed forces have outsourced military and security functions in the areas of logistics, training (e.g., of jet pilots) and armed site security (Petersohn 2006: 15, 18). They have established public–private partnerships in white fleet management, clothing supply management, heavy material maintenance and IT services (Krahmann 2010: 176) and developed further privatisation goals for non-core functions such as site and facility management (Deitelhoff 2010: 182).

Despite these notable privatisation phenomena, neither the quantity nor the quality of German outsourcing comes close to US or UK dimensions. Core military functions remain mostly with public military forces, even though the use of private air transport capacities has implications for strategic force projection, and thus touches upon a military core function in times of conflict (Petersohn 2006: 12–21).

The use of PMSCs by France

Similar to the German case, the numerical presence of PMSCs operating on behalf of France in zones of conflict is weak, especially when compared with the UK and the US (Giscard d'Estaing and Cazeneuve 2011: 70; Ménard and Viollet 2012: 5). Whereas there are no precise data on the current quantity of PMSC staff and the ratio between private and public French forces, expenditures for PMSCs show a clearer picture. Spending of the DoD on military outsourcing projects almost trebled from 592 million to 1.7 billion euros between 2001 and 2009 (Giscard d'Estaing and Cazeneuve 2011: 11). The share of spending for private security rose from 2 to 5 per cent of the French defence budget. It is thus very similar to the German level and considerably lower than in the US and the UK (six and five times, respectively). High costs have arisen from the private maintenance of aircraft and the transport of troops and material to conflict zones. Under the SALIS Programme, France had a contingent of 1,195 flight hours a year, with a price of 25,000 euros per flight hour. From 2008 to 2010, France clearly overran its contingent, using 1,723 flight hours in 2008, 1,363 in 2009 and 1,231 in 2010. 25 per cent of all flights for NATO's SALIS members were ordered by France (*ibid.*: 37).

Although the scope of PMSCs' activities at home and abroad has expanded for the past few years, France is generally reluctant when it comes to privatising a broad range of military and defence functions. There has been neither direct nor indirect involvement of PMSCs in combat (*ibid.*: 11; Ménard and Viollet 2012: 5). This is claimed to be a 'red line' for the DoD, which also posits that the reversibility of outsourcing must always be guaranteed (Giscard d'Estaing and Cazeneuve 2011: 70). Services that are provided to the DoD and the Ministry of Foreign Affairs by French PMSCs include military and police training and advice; maintenance of domestic military bases and aircraft;



logistical support to deployed troops; the protection of embassies; and military site security in missions abroad (Isenberg 2010; Giscard d'Estaing and Cazeneuve 2011: 32–34). Notwithstanding the limited scope of privatisation, France relies heavily on specific private services, namely, air transport capacities, for the projection of troops to conflict regions and for their supply with heavy equipment. As this has implications for the strategic projection and operability of troops abroad, French officials self-consciously admit that it touches upon a military core function and raises questions of sovereignty (Ménard and Viollet 2012: 14).

Although the French pattern of security privatisation resembles the German case, there are also some differences. The French DoD owns a 49.9 per cent share of the (semi-)private company *Défense Conseil International* (DCI) (Giscard d'Estaing and Cazeneuve 2011: 69–70). The activities of DCI go beyond those of the German public–private partnerships. Originally established to promote French weapons exports, DCI now offers services in the area of military education, training and advice at home and for deployed French soldiers. DCI has 700 employees who are frequently former French militaries, with offices in the United Arab Emirates, Saudi-Arabia, Kuwait, Qatar and Malaysia (Isenberg 2010). In a similar vein, conservative and socialist representatives in the National Assembly have drawn up a joint report that advocates that France should not only ‘structure’ the French PMSC market through regulation, but also actively promote its growth (Ménard and Viollet 2012).

Empirical trends and differences in a nutshell

Thus, the comparative empirical analysis indicates that there is a clear common trend towards a more extensive use of PMSCs. At the same time, there are substantial cross-national differences. The quantity and quality of the use of PMSCs by the US are unprecedented and unrivalled. The UK also displays a strikingly high level of privatisation in quantitative terms. At the same time, the qualitative scope of private security services is more limited in the UK. Activities outsourced by the British MoD focus on non-armed logistical support, which has become essential for British force projection and operability abroad. Although Germany and France have also increased their use of PMSCs, the levels of German and French security privatisation are relatively low when compared with the US and the UK. The scope of privatised security services is rather narrowly confined in both continental European cases, with Germany using a somewhat broader range of private security services than France does. Nonetheless, in Germany, and particularly in France, the sizable reliance on private strategic transport capacities touches upon core requirements of warfare.



Insights and blind spots of monocausal explanations

Now, to what extent can the functionalist, political-instrumentalist and ideationist models shed light on these intertemporal and cross-national patterns in security privatisation? An assessment of the theoretical models on the basis of the above privatisation profiles indicates that none of the models have comprehensive and sufficient explanatory power on their own. However, despite their blind spots, all of them provide conditions and mechanisms that seem — more or less — relevant for a comprehensive explanation. More specifically, all the three models have particular explanatory strengths and weaknesses.

The *functionalist complexity hypothesis* finds support in some limited issue-areas such as maintenance of high-technology weaponry and strategic transport capacities where (varying levels of) dependencies on PMSCs have emerged that underlie (variations in) the states' use of private security services. Moreover, a slightly modified resource-dependence perspective captures the important finding that once security functions are delegated to PMSCs, states tend to neglect the build-up of their own resources that could substitute for PMSCs' resources and thus increasingly make themselves dependent on PMSCs (Zamparelli 1999; Deitelhoff 2008: 165). Despite these insights, the complexity hypothesis also faces serious problems. Although there is a quite common impression among policy-makers and academic observers that recent asymmetric conflicts and new military technology have rendered warfare more complex (Donald 2006; Ballard 2007; Carmola 2010), there is little factual evidence that operational and technological complexity of warfare is the major driver of broader privatisation trends. First of all, one may reasonably doubt that contemporary violent conflicts are indeed operationally and technologically more complex than previous security threats, for example, in the context of the confrontation of nuclear superpowers during the Cold War (Biddle 2006; Mello 2010). More specifically, statistics on states' defence budgets provided by NATO and the Stockholm International Peace Research Institute (SIPRI) indicate that the relative share of expenses for armament technology in the defence budgets of the analysed countries has remained fairly constant for the past 30 years. At any rate, there is no robust evidence that the percentage of spending on complex high-technology goods and activities relative to other defence expenditures has increased in a way that is commensurate with the increased use of PMSCs. Finally, a large share of PMSCs do not perform complex high-tech tasks such as maintenance and operation of sophisticated means of warfare. Rather, they offer simple low-skill services such as cleaning, construction work, waste disposal and other day-to-day camp management tasks. In those large areas of low-skill services, resource dependencies do not play a major role.

As to the functionalist *cost-efficiency hypothesis*, NATO and SIPRI data show that indeed the defence budgets of the US, the UK, Germany and France



had all been reduced after the Cold War. However, defence spending has soared again (especially in the US) in the past 10 years, whereas the use of PMSCs has simultaneously grown. This is at odds with the expectation that defence budget pressures drive privatisation. Moreover, defence budget pressures (i.e. cuts of the defence budgets in terms of percentage of gross domestic product) have been stronger in Germany than in the US after the Cold War, but, in contrast to the US, Germany has not pursued a comprehensive, allegedly costs-saving strategy of security privatisation. The economic cost-efficiency hypothesis also has a hard time accommodating findings that suggest that claims of reducing costs and increasing cost-efficiency through outsourcing have frequently failed to materialise (Government Accountability Office 2003, 2006; Deitelhoff 2010: 194–5; Petersohn 2010: 545–6). Cost-efficiency is hampered by the lack of a truly competitive market for security services. In certain specialised areas (such as the provision of specific means of transport), there are *quasi*-monopolies. As of 2005, about 40 per cent of US DoD contracts were awarded on a non-competitive basis. This is at least in part because of the specific circumstances of military operations, which are hardly conducive to the transparency and patience needed in bidding processes for truly competitive contracts. Instead, there are contracts with ‘cost plus’ arrangements, which guarantee companies more profit if they spend more state money in the fulfilment of their contractual tasks (Singer 2005). Therefore, governments in strong states are hardly better off contracting with PMSCs rather than building up needed capacities themselves. Importantly, it can be expected that governmental actors should be aware of these findings, as they are well documented in budgetary reports from the 1990s and 2000s (Government Accountability Office 1994, 2003, 2006; Congressional Budget Office 2008).

The *political-instrumentalist* model is supported by numerous studies that find indications that the use of PMSCs is indeed harmful for the transparency, accountability and parliamentary control of military operations and that governments are at the very least aware of this (Avant 2005; Deitelhoff 2010; Dunigan 2011: 100). The use of PMSCs allowed the US government to circumvent troop ceilings ordered by the US Congress in the Balkans conflict and again in its Plan Colombia (Deitelhoff and Geis 2010). The government-dominated practices in the negotiation and oversight of PMSCs’ contracts in Iraq have also demonstrated that outsourcing makes parliamentary oversight over the defence budget and, ultimately, the use of force more difficult (Deitelhoff 2010). As Avant and Sigelman (2010) have empirically shown, parliamentary organs and the broader public have less information on PMSCs than on public armed forces, and access to this information is more difficult. Although the broader public may be just as sensitive to the deaths of private forces as it is to the military personnel’s deaths, it is simply less likely to know



about them (*ibid.*: 230). PMSC casualties are not listed in official casualty statistics. Thus, public debates about more than 1,000 PSMC casualties in Iraq have largely been absent. Governments' reluctance to increase monitoring and clarify liabilities of PMSCs via stricter regulation also correspond nicely to the political-instrumentalist model's main arguments (Deitelhoff 2010: 198).

However, even a cursory glance at poll data (Mueller 1973; Collmer 2011; Jankowski 2011; and numerous Gallup und German Infratest-Dimap polls) on public support for major military operations (from the Korean to the Afghanistan War) in which the US, the UK, France and/or Germany were involved reveals that the (un)popularity of military operations and the use of private contractors fail to co-vary systematically over time and across countries. In more general terms, it is not evident at all that incentives for Western states to reduce political costs should have substantially increased over the past two decades, whereas the use of PMSCs has soared. The political-instrumentalist model also leads to erroneous cross-national expectations. One would expect that states such as Germany, which have had less experience with fallen soldiers in the recent past and are thus more 'casualty-sensitive', rely more heavily on (armed) PMSCs than do states such as the US, which have regularly lost a substantial number of soldiers' lives in combat. This flatly contradicts empirical patterns of security privatisation (Petersohn 2010: 535, 545). Moreover, if political costs were a major determinant of security privatisation, it should appear puzzling that hardly controversial tasks, such as logistics and maintenance work, have been privatised extensively, whereas politically costly casualty-prone tasks, such as combat-related activities, have hardly been privatised at all. In other words, the model is of little help in explaining the delegation of uncontroversial logistical tasks to PMSCs, which is one of the most prevalent areas of privatisation. Finally, it is doubtful whether responsibility-shirking and blame-shifting through delegation to PMSCs work. Media reporting on the severe misbehaviour of Blackwater (now Academi) in Iraq indicates that in the public media discourse responsibility for failures and misdeeds of PMSCs are still attributed to their state principals ('the US'). In fact, outsourcing itself seems to be burdened with considerable political risks (Dunigan 2011: 4). To the extent that governmental actors have become aware of this, the attractiveness of delegation to PMSCs should actually be reduced, which hardly seems to be the case empirically.

The *ideationist model* is supported in that conceptions of the state and the quantity and quality of states' use of PMSCs correlate strongly. In the past two decades, neoliberal policy ideas and market-based modes of governance have been on the rise in numerous issue-areas throughout the OECD world. The transnational diffusion of a neoliberal model of lean armed forces is reflected in the common privatisation strategies that have been included in the security and defence strategies of nearly all western OECD states



(Deitelhoff 2010: 182). Nonetheless, prevailing — *laissez-faire* liberal or state-interventionist — conceptions of the state and consequently ideas-based predispositions to outsource core policy functions, such as the provision of security, still differ considerably between the US and the UK on the one hand, and France and Germany on the other (Prasad 2006). This is corroborated by indices of economic freedom such as the ones provided by the (Canadian) Economic Freedom Network and the US Heritage Foundation (Gwartney *et al.* 2011 and previous annual reports; Heritage Foundation 2012; Petersohn 2010: 540–1 for a similar argument). In fact, government size indicators from these two indices for the US, the UK, Germany and France largely *co-vary* (over time and across countries) with the scale and scope of the respective states' use of PMSCs.

Thus, under the privatisation-friendly macro-ideational conditions in the UK, and especially, in the US, the use of PMSCs is perceived as more acceptable and 'normal', and closely tied public–private privatisation coalitions have thrived. What is more, the large-scale use of PMSCs in the US and the UK can be conceived as emanation and continuation of broader neoliberal thinking about defence and changing trends in defence economics that increasingly took hold in both countries in the early and mid-1990s. Representatives of the Clinton and Major administrations, such as the then US Undersecretary of Defense for Acquisitions Jacques Gansler, actively drove a defence privatisation discourse calling for a civilianisation of the defence-industrial base, increased civilian-military integration in the defence industry and growing government reliance on private dual-use technology (Gansler 1996; Department of Defense 1996). Therefore, reliance on PMSCs in the US and the UK is not an isolated phenomenon but has followed from the increasing influence of neoliberal ideas on defence economics and appropriate modes of security provision, which never took root in a comparable way in continental European states. This evolution is also evidenced by case studies tracing the differential impact of ideologies, norms and ideas on security privatisation in the US, the UK and Germany (Krahmann 2010; Petersohn 2010, 2011).

However, the ideationist model also leaves some blind spots. It has little to say about the exact *timing* and *speed* of diffusion of neoliberal privatisation ideas into the realm of security. Although neoliberalism has shaped political culture in the UK and the US at the very least since the Thatcher and Reagan administrations in the early 1980s, it was only in the mid-1990s under the Major and Clinton administrations that both countries extensively and systematically outsourced security services to PMSCs at home and abroad. More importantly, from a purely ideationist perspective, the differences in the quantity and particularly the quality of privatisation between the US and the UK should be even smaller than we observe today. The different policies of the US DoD and the British MoD concerning the use of armed PMSCs can



hardly be explained by different (*laissez-faire* liberal or state-interventionist) conceptions of the state. Moreover, Germany's and especially France's intense use of private capacities in specific issue-areas (e.g., air transport) cannot be captured by ideationist reasoning.

From theoretical competition to complementarity: a thin and a thick synthesis

Against the backdrop of this analysis, I propose to take a synthetic perspective, which treats different explanatory conditions and logics as complementary rather than rival. More specifically, I draw on two methodological techniques for theory synthesis: first, the domain-of-application approach, which provides a 'thin' synthesis specifying that theoretical explanations work in particular domains of application; and, second, sequencing, which helps to develop a 'thicker' synthesis that spells out phase-specific determinants and logics of security privatisation and endogenises seemingly given material incentives and constraints for institutional choices (Jupille *et al.* 2003). The thin and the thick synthesis are useful for different kinds of research questions and agendas, as the conclusion discusses.

The domain-of-application approach strives for a modest or thin synthesis in that it assumes that different and largely independent explanatory factors grasp different aspects of a phenomenon under study, in our case security privatisation. In other words, different theoretical models have different scope conditions, domains or 'home turfs' — that is, aspects of security privatisation — where their explanatory power unfolds. The idea of the synthesis thus consists in identifying the respective home turfs or domains of the different theories and 'finally bringing together each home turf in some larger picture' (Jupille *et al.* 2003: 21; Rittberger 2012: 19). The result is an additive theoretical explanation for the use of PMSCs that is more comprehensive than separate models as it brings together three theoretical accounts that apply to three different domains of security privatisation identified through the empirical analysis: first, broad general trends and differences, as well as long-term, broad-ranging and deliberately planned privatisation schemes (ideationist account); second, the outsourcing of controversial activities and subtler qualitative differences between countries (modified political-costs account); and third, sectorally delimited usage peaks in technical issue-areas (functionalist resource-dependence account).

This thin synthesis specifies which explanatory factors operate in which partial domains of security privatisation without analysing their interaction. Its empirical value-added is straight-forward: The explanatory leverage gained is an additive one, as blind spots of each theoretical model in particular domains of security privatisation are illuminated by another theoretical approach. Even though this approach reflects a modest or thin conception of theoretical



synthesis, it clearly differs from largely atheoretical ‘explanations’ that simply list numerous factors that are deemed to be relevant for a comprehensive understanding of security privatisation. The thin synthesis clearly, systematically and falsifiably specifies *which* explanatory accounts hold in *which* domains of privatisation. Thus, unlike approaches that merely point to a multitude of disconnected reasons or drivers of privatisation, the thin synthesis helps to stay clear from arbitrary *ad hoc* explanations by means of systematic theoretical contextualisation while also avoiding the limitations of monocausal explanations for complex multi-faceted phenomena.

In this vein, broader trends and more general cross-national patterns of security privatisation can pretty well be captured by the ideationist hypothesis that *laissez-faire* liberal or state-interventionist ideas shape conceptions of the appropriate relationship between the state and the market in the provision of security and thus lead to different levels of PMSC use. Intertemporally changing and cross-nationally varying levels of prevalence of neoliberal thought have a large impact on prevailing models of the organisation of armed forces and their diffusion, as well as on the authority and the political influence of public–private privatisation coalitions propelling large-scale privatisation. Thus, they go a long way toward grasping the bigger (‘macro trends and variations’) picture of security privatisation, as well as long-term, large-scale and deliberately planned privatisation schemes.

However, when it comes to explaining more specific, in particular controversial, activities and subtler differences between countries in this regard, such broad ideas have less explanatory power, as is demonstrated by the variations between the ideationally similar US and UK cases. Rather, political-cost calculations play a considerable explanatory role — again this is illustrated in the British case, where high political costs of outsourcing armed and other controversial security tasks that can be traced back to the ‘Arms to Africa’ scandal in the late 1990s limit the scope of outsourced services. Thus, a (modified) political-instrumentalist perspective that stresses both potential political-costs *reductions* and political costs that may *arise* from outsourcing is relevant for capturing security privatisation on a more micro level.

For the explanation of sectorally concentrated usage peaks in some technical issue-areas, such as the intense use of private transport services by Germany and France, resource dependencies are relevant. In such technical issue-areas, sheer lack of capacity to meet short-term needs drives states (especially minor military powers) towards readily available private resources, that is, towards ‘incidental’ privatisation. However, the functionalist resource-dependence argument cannot account for the comprehensive privatisation of simple low-skill tasks, nor is it able to explain why overall strong states implement long-term, encompassing and deliberately planned security privatisation.



The technique of sequencing (Jupille *et al.* 2003: 22–23) goes one step further than the domain-of-application approach, as it suggests that different theoretical accounts depend on one another temporally to explain a given outcome. Sequencing thus provides a thicker synthesis as variables from different theoretical approaches ‘work together over time to fully explain a given domain’ (*ibid.*: 22). Thus, a thick synthetic account of security privatisation elaborates phase-specific determinants and logics of security privatisation and endogenises seemingly given material incentives and constraints for privatisation choices. Its value-added over monocausal models and the thin synthesis is in specifying how causal logics of security privatisation evolve and how different explanatory factors interrelate over time.

From this perspective, transnational and national ideas have not only direct effects, especially at the onset of broad-ranging and planned privatisation schemes (as outlined above), but also indirect effects. As an ideational frame, they condition and precede the impact of other explanatory conditions and mechanisms. ‘Strategic’ decisions by states in favour of PMSC use — be they motivated by concerns about problem-solving effectiveness, cost-efficiency or political costs — and their reception among electorates are not taken in an ideational vacuum, nor are they perfectly rational. Prior ideational contexts pre-structure and shape governmental and military actors’ perceptions of security problems, the choice of appropriate or ‘normal’ agents and modes of security provision, their subjective dependence on the material and immaterial resources of PMSCs, the anticipated cost-efficiency of outsourcing and last but not least the societal acceptance of arguments about PMSCs’ effectiveness, cost-efficiency and legitimacy. Very importantly, prevailing ideational conceptions of the state, as well as *perceived* structural dependencies on PMSCs, which are at least in part a function of these ideas, (de)legitimise and (dis)empower public–private privatisation coalitions, which will be the more successful in justifying and normalising privatised provision of security the more their practices and arguments can draw on a reservoir of prevailing neoliberal (privatisation-friendly) ideas. Thus, the direct and indirect effects of ideationist factors largely explain earlier phases of security privatisation (see Figure 1).

In later phases of security privatisation, ideational and material conditions and logics jointly operate to produce tendencies towards self-stabilising or even self-reinforcing security privatisation, even though this is not a deterministic process, as evidenced by more recent insourcing trends in the US DoD. Prior levels of security privatisation nonetheless influence the likelihood of future privatisation through ideational and material mechanisms that underlie what in historical-institutionalist terms might be called the ‘path-dependent’ evolution of security privatisation (Petersohn 2011: 147–8; Pierson 2004).

On the one hand, extensive and continued — rather than small-scale and sporadic — use of PMSCs contributes to an ideational normalisation of this

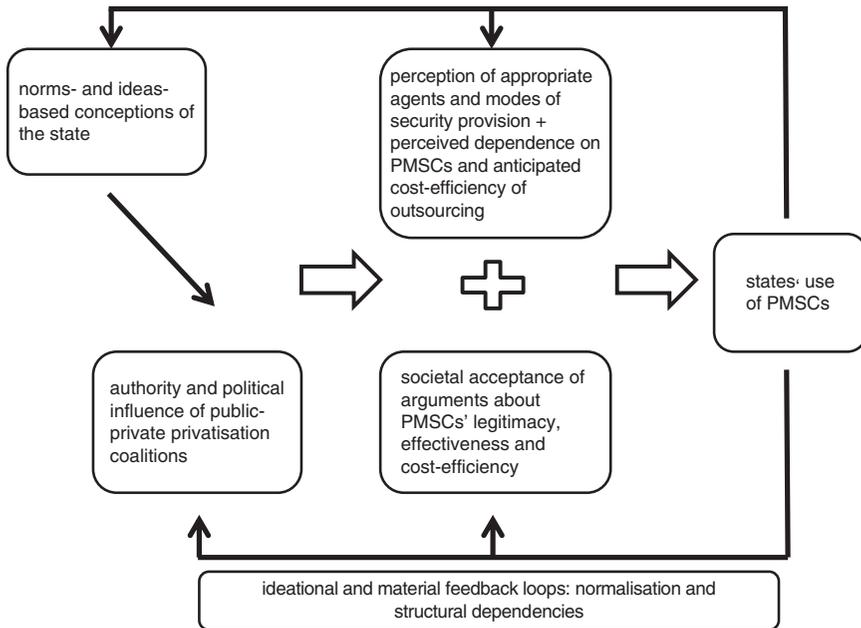


Figure 1 Thick synthesis.

practice. Privatised security may not only turn into a social reality, but through habituation can also become a ‘normal’ mode of security provision. PMSCs and governmental proponents of security privatisation can then justify further privatisation by drawing on the normative power of the factual. Extensive use of PMSCs enhances the expert authority of PMSCs, as well as their opportunities for political and strategic influence. As a result, PMSCs increasingly co-determine the definition of security problems and appropriate solutions to these problems; they thus contribute to ‘the reproduction of a highly specialised security field in which “experts” authorise an increasingly technical, managerial and military understanding of the field’ (Leander 2005: 805). This, in turn, further empowers PMSCs.

Continued extensive reliance on PMSCs also creates and solidifies structural dependencies on PMSCs over time. Therefore, it not only contributes to a sense of PMSCs’ indispensability on the part of governments, but also propels a certain ‘materialisation’ of states’ perceived dependence on PMSCs. Once security tasks are transferred to PMSCs in substantial dimensions, states tend to neglect the build-up and maintenance of those capacities that could substitute for PMSCs’ resources (Deitelhoff 2010). The extensive use of PMSCs puts them in a position of considerable structural power and may lead to a



(self-)entrapment of the state that is hard to reverse. In that sense, states' resource dependence tends to (self-)perpetuate over time.

States' use of PMSCs generates material and ideational feedback loops reinforcing the drivers of privatisation, particularly in later stages of outsourcing schemes and in countries with already high levels of security privatisation. These mechanisms reflect historical–institutionalist arguments in that states' choices for (or against) security privatisation structure and narrow down future paths and alternatives in the evolution of the organisation of armed forces because non-path-congruent choices — such as a large-scale reversal of security privatisation in states with high levels of PMSC use — get increasingly costly and unlikely in material and ideational terms (Petersohn 2011: 147; Pierson 2004). To argue that an institutional arrangement such as security privatisation evolves path-dependently does not imply a linear evolution, though. Rather, 'international and domestic events, including both crises and gradual pressures, open windows of opportunity that provide policy officials with the potential to transform existing institutions' (Cortell and Peterson 1999: 177). While major crises open large windows for radical (non-path-dependent) change, 'gradual pressures' and non-crisis events such as elections or informal domestic power shifts offer a smaller window for some incremental, largely path-dependent adaptation (*ibid.*; Petersohn 2011: 147).

Even if consistently implemented, new announcements and instructions of the US DoD (Gates 2009; Department of Defense 2010) would amount to an incremental adaptation but not a radical change of paths in the organisation of US armed forces. They provide for a future reduction of the share of private contractors in the force mix and specify stricter criteria for 'inherently governmental' functions, but do not question the broad-range use of PMSCs *per se*. Such a still largely path-congruent correction of privatisation 'excesses' in the years of the Iraq and Afghanistan wars, which modifies rather than upends previous policies, appear plausible in the light of several international and domestic 'gradual pressures' in the late 2000s. These gradual pressures include: the change of government from the very privatisation-friendly Bush administration, members of which entertained close ties to the PMSC industry, to the ideologically and politically somewhat more distanced Obama administration; less acute security pressures (meaning less dependency on private military capacities); and increasing media and societal scrutiny of PMSCs. Notwithstanding such adaptive change, the general phenomenon of privatised provision of security has become a social reality with a dynamic of its own and ensuing structural dependencies, which is likely to shape security policies further in OECD countries.

Conclusion

In this article, I have sought to systematise and advance the theoretical debate about the causes and conditions for the privatisation of security. I have



reconstructed functionalist, political-instrumentalist and ideationist models that cover the major stories told about the use of PMSCs in the private security literature, link them to broader theoretical approaches from IR and Comparative Politics and allow for comparative empirical analysis. Second, I have confronted these models with the US, British, German and French profiles of security privatisation. As all the single models offer important explanatory insights but also leave notable blind spots, I have, third, relied on the domain-of-application approach and sequencing, respectively, to propose a thin and a thick theoretical synthesis, which owe much to ideationist, functionalist and political-instrumentalist reasoning, but are also inductively built from the empirical analysis.

While a broader empirical application and test of the proposed syntheses is outside the confines and rationale of this article, more comprehensive empirical research along their lines appears as a promising strategy in the quest for a better understanding of security privatisation. The thin and the thick syntheses appeal to different kinds of research questions. The thin synthesis suggests a ‘comparative statics’ or ‘snapshot’ approach; that is, it should be helpful for the explanation of particular privatisation phenomena in one of the identified domains and for an additive explanation of a country’s comprehensive pattern of PMSC use at a certain point in time; it also invites an analysis of a broader (medium-n) sample of states to test for external validity of the theoretical propositions made for all or some of the domains of security privatisation. By contrast, the thick synthesis rather lends itself as a set of analytical tools for in-depth process-tracing of the evolution of selected states’ use of PMSCs and might thus contribute to further refining our theoretical and empirical understanding of the complex dynamics and logics of security privatisation over time.

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