



Private Military Companies in Counter-insurgency Strategy

March 2011

Financial restrictions, budget cuts and declining birth rates all restrain military capacity, while on top of that the number of conflicts and demand for security are rising. Private military companies take over some of the burden, relieving soldiers from non-military tasks. But lessons from Iraq show that the overall military strategy must be ensured.

During the last decade, states have increasingly used civilian contractors to provide additional capacity for facing the security challenges in state- and nation-building. Since military budgets are strained and military capacity fully occupied with duties both inside and outside their normal portfolio, outsourcing of non-core security functions and tasks becomes as an attractive solution. Although outsourcing's specific level and extent may still be contested, it is important to clarify how to make optimal use of contractors on the operational level without jeopardizing the overall military strategy and objectives. There is a need for political debate on the scope of the outsourcing. Also, a rigorous selection process is needed when outsourcing does take place. The contractors must be better integrated into the military structure, and their accountability must be ensured.

Although this policy brief is based on lessons learned from the counter-insurgency campaign in Iraq, they are generally applicable to other theaters of war, in Afghanistan and future areas of engagement. One lesson is that overall population-centered strategies – such as the counter-insurgency strategy *COIN*, which aimed at winning the 'hearts and minds' of the local peoples – must be supported by all actors, be they national military or private military companies. Experiences from Iraq have identified at least seven areas of concern in ensuring this and each of them is discussed in this brief.

RECOMMENDATIONS

Political actors and the military must

- initiate a debate on how private military companies should be included in the defence architecture.
- clarify the scope and involvement of private military companies.
- define the core and essential functions of the military that should not be outsourced.
- decide whether private companies should be limited to provision of logistic services or if they should also be used in intelligence and/or in direct combat.
- together with the private contractors, aim at clear contract management.
- ensure that private actors act according to and support the overall strategy and tactics, so that they do not undermine the overarching aims.
- ascertain that they communicate new strategies to the private military companies so they can act in accordance with these strategies.
- co-ordinate the ways and means of communicating with private contractors in the theatre of operations.
- ensure accountability of the private military companies so that they respect the laws of the country to which they are deployed and fulfill their tasks.



MORE WARS, MORE PERSONNEL NEEDED

The increasing number of low-intensity conflicts around the world place considerable strain on military resources. Add to this the large-scale interventions in Iraq and Afghanistan, and it is apparent that military resources are spread out very thin. This is mainly perceived as an American problem, since the US, as the world's only remaining superpower, risks the problem of imperial overstretch. However, the same dynamic applies to smaller countries that choose to involve themselves in international military endeavours.

There are two opposing dynamics at play here. Financial restrictions, budget cuts and declining birth rates, combined with the number of conflicts and rising demand for security. This makes contracting an attractive solution.

Stepping up outsourcing – in Iraq and in the future

The 2003 invasion of Iraq was over relatively quickly. Winning peace and ensuring a stable environment for the rebuilding effort were another matter, and the Americans soon contracted out a previously unseen number of tasks. This was a symptom of the changing environment for the military forces. As opposed to earlier, soldiers must now take part in rebuilding initiatives (under the overall designation 'Military Operations Other Than War') in addition to their traditional military tasks.

In cases such as Iraq and Afghanistan several factors regarding capacity and functionality explain why US military personnel and State Department see outsourcing of military functions as a viable option. First, the presence of private contractors engaged in actual fighting can function as a force-multiplier and improve stability in conflicts characterized by complex ethnic agendas and insurgency. Second, outsourcing logistics and support

measures like VIP and convoy protection make it possible to free resources, which can then be allocated to areas where additional troops are needed.

It is estimated that the number of contractors operating in Iraq is between 30,000 and 100,000 (excluding sub-contractors and contractors employed by private companies). Contractors make up approximately 50 percent of the US Department of Defence workforce in Iraq. The reason for the uncertainty is that US authorities have no official statistics. While the fact that the US does not know the actual number of contractors deployed to Iraq is in itself problematic, it also raises the question of how private military and security actors fit in with the overall military strategy, and whether or not there is any supervision of the way private contractors fulfil their tasks.

Private military and security contractors appear to be a permanent feature of military architecture. The recent engagements in Afghanistan and Iraq have also shown that COIN will in all likelihood also play a prominent role in the future.

INVOLVING PRIVATE MILITARY COMPANIES IN THE RIGHT WAY

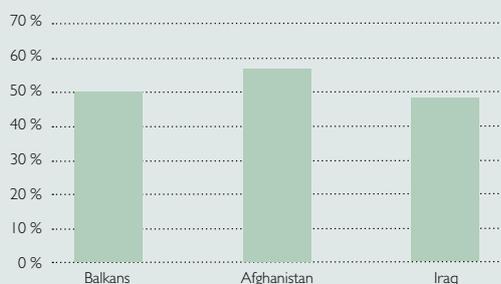
Since outsourcing is by all means a lasting element in COIN operations, it is important to consider how to best utilize the resources of private military and security contractors. Nothing suggests that the private military companies undermine COIN simply because they are private and fall outside the usual chain of command. It is a question of involving them in the right way and ensuring a coherent strategy and structure, that enables a quick communication of changes to all actors in the theatre of operations. Several issues should be addressed in this regard – for instance, how to:

1. communicate strategic changes and make sure the private military companies consent to them
2. develop the necessary procedures and interfaces for co-ordination
3. circumvent the fact that contractors are not subordinated to any chain of command at the operational level
4. handle 'friction' when private military companies add internal errors to already uncertain and complex situations;
5. handle the fact that private military companies are not obliged to co-operate with military initiatives
6. make sure that private military companies act in accordance with existing laws and are held accountable for their actions
7. improve training to ensure quality in services and compliance with human rights regimes.

I. Communicating changed strategies

As conflicts endure and the military forces gather experience, strategies are adapted to the enemy and the environment of the confrontation. Such strategic changes should

Contract Personnel as Percentage of the Workforce in Recent Operations



Source: Balkans: Congressional Budget Office. Contractors' Support of U.S. Operations in Iraq. August 2008. p. 13; Afghanistan and Iraq: Congressional Research Service analysis of Department of Defense data as of March 2010.

be communicated effectively to private military forces, and private military forces should consent to them.

In Iraq 2007, the US changed its strategy, which had profound implications for their operations and rules of engagement, and also for how they involved the private military companies. After substantial human losses and increased civil strife, their primary focus shifted from 'force protection' to 'civilian population protection'. This was a result of a protracted process in which the military and political leadership had to come to terms with the inadequacy of the existing counter-insurgency methods.

The elements of the altered strategy in Iraq included: securing and serving the population; living among people; promoting reconciliation; fostering Iraqi legitimacy; building relationships; being first with the truth; and 'living the values'. All of these changes are part of a classical counter-insurgency strategy and even though they sound simple, implementing them in a hostile environment is easier said than done.



A US contractor looks away from a dust cloud whipped up by a helicopter departing over a gatepost Kandahar, Afghanistan, 2010. © Polfoto / AP Photo/Rodrigo Abd.

As the US Armed Forces changed their behaviour, the need to ensure the consent of the private military companies was highlighted since non-consent would jeopardize the efficiency of the US effort. At that time, however, the local population still perceived the behaviour of the private military companies as confrontational and antagonistic, which ran counter with the overall aims of the new strategy. At the heart of COIN, and also of the *SURGE* strategy, also lay the fight for legitimacy, upholding rule of law, and holding violators of the rule of law accountable. But while the US promoted this strategy in relation to the local population, the local population could see that the private military companies largely enjoyed impunity. Since this of course undermined the effort, this problem must be dealt with in future situations of this kind.

2. A lack of procedures and interfaces for co-ordination

The US Armed Forces had to go through a learning process with the COIN strategy in which credibility became ever more important. The problem with the COIN strategy existed prior to the Iraq War. Since nation-building and stability operations were entirely absent from the minds of senior officials in the US administration, the necessary procedures and interfaces for coordination with civil agencies, international and non-governmental organisations were not in place.

3. Unity of command at the operational level

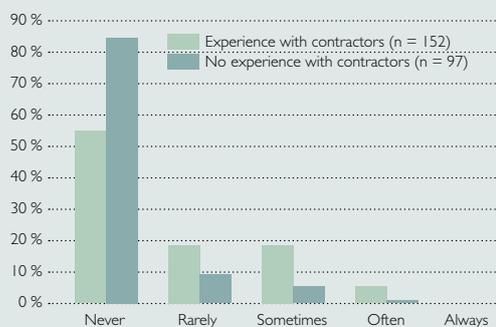
One of the fundamental principles of military operations is unity of command – however, contractors are not subordinated any chain of command. Thus, the ways and means of communicating with private contractors in the theatre of operations should be clarified.

At the operational level, a very basic problem exists of non-existing radio communications between coalition forces and contractors operating in the same area, because they use different radio frequencies. In the worst cases, this can result in blue-on-blue firing; in the best cases it increases resentment between soldiers and contractors.

Department of Defense Surveys

Threatening Action

"During your time in the region during OIF, how often did you have firsthand knowledge of armed contractors performing an unnecessarily threatening, arrogant, or belligerent action?"



Respectful

"Armed contractors are respectful of local and international laws."



Source: RAND Corporation, 2010. 'Hired Guns – Views about Armed Contractors in Operation Iraqi Freedom'.



4. Friction

Sceptics argue that private security companies add 'friction' to the already existing uncertainty and complexity of counter-insurgency operations. Frictions are errors, accidents, malfunctions and misunderstandings, or breakdowns of equipment within their own organisation that occur without enemy interference and affect the overall implementation of the plan in a negative way. Since commanders cannot direct contractors or compel them to provide services, some critics argue that private security companies also add friction in this regard, and that this can have a negative impact on the efforts of the armed forces – even though this does not seem to happen very often. Still, the military should clarify the extend to which friction is acceptable, so as to define the scope and involvement of private military companies.

5. No guarantee that private military companies co-operate

Prior to Iraq, the US Army relied on command and control methods to direct units. However, the existing methods were simply not applicable to civil contractors. Private security companies could not be commanded, only coordinated. As a result, the Department of Defence set up the *Reconstruction Operation Center 2004*, in order to create an overall picture of joint operation that included both contractors and the military. Since May 2008, the Department of State and Department of Defence have run their co-ordination of contractors through six 'Contractor Operation Cells' – contractors must notify their movements to these cells – and this seems to have solved most of the problems. Nonetheless, companies are not obliged to feed in to these co-ordination mechanisms and can fall through the mesh. Again, the military should clarify the extend to which this situation is acceptable, or else take necessary measures to improve it.

6. Hard to hold private military companies accountable for violations of the law

In 2007, General Petraeus (the commander in Iraq at that time) imposed a stricter regulatory framework upon the private security companies. The framework ran through the Iraqi Ministry of Interior. Security firms had to register with the Ministry of Interior and the Ministry of Trade, and all weapon were required to be licensed through the Ministry of Interior. This became standard requirements in all Department of Defence contracts. The political leader-

ship backed these restrictions up and issued orders to all military commanders to ensure that guards followed the rules, and to initiate legal proceedings against any violation of military law. This was of course a step in the right direction, so that Iraq received increased control over its own territory and could hold the private military contractors accountable for violations, should they wish to do so. The problem is that the majority of private security companies in Iraq have still not applied for a license.

The legal status of contractors in Iraq was altered significantly in 2009 when a new *Status of Forces Agreement* between the Iraqi and US governments came into force. The agreement states that "Iraq shall have the primary right to exercise jurisdiction over United States contractors and United States contractor employees". But even with this new agreement the private security companies are generally thought to be effectively immune from prosecution under US law. This stresses the need for evaluating companies before employing them.

7. Inadequate training

Another step that was put in place for the private security companies was for each operator to undergo 164 hours of training by the Department of State. But the content of the training is a problem. As US counter-insurgency strategy has traditionally been very enemy-centred, training covers terrorist operations, protective service formations, fire-arms and defensive tactics. The particular requirements of providing security in a counter-insurgency environment or having cultural skills are still not part of the teaching programme. Still, it does appear that reforms aimed at improving the behaviour of armed contractors with regard to Iraqi civilians have had at least a some impact.

In December 2007, the Department of Defence and the Department of State made an attempt to standardize the rules of force and issued a memorandum laying out detailed regulation of the training of private military companies. But having rules is one thing, and how they are interpreted and applied is another. Companies have their own policies in relation to which these rules are interpreted. The military should be aware of such internal policies within a private military company before outsourcing their tasks.

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FURTHER READING

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Moesgaard, Christa: "Weak International Response to the Use of Private Military Security Companies", *DIIS Policy Brief*, March 2011, www.diis.dk