

The business of war: A content analysis of private military companies' websites

By

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Acronyms

AMIS	African Union Mission in the Sudan
ANA	Afghan National Army
ANC	African National Congress
AU	African Union
AVF	All Volunteer Force
BDS	Bureau of Diplomatic Security
CBO	Congressional Budget Office
CIA	Central Intelligence Agency
CRS	Congressional Research Service
DIC	Defense industrial company
DoD	United States Department of Defense
EO	Executive Outcomes
FAIR	Federal Activities Inventory Reform Act of 1998
FCO	Foreign and Commonwealth Office (U.K)
ICRC	International Committee of the Red Cross
IPOA	International Peace Operations Association
KBR	Kellogg, Brown, and Root
LOGCAP	Logistics Civil Augmentation Program
MPRI	Military Professional Resources Incorporated
OLG	Overseas Lease Group
PMC	Private military company
PMF	Private military firm
REDCOM	U.S. Army Research, Development, and Engineering Command
RUF	Revolutionary United Front
UAV	Unmanned Aerial Vehicle
UN	United Nations
UNAMSIL	United Nations Mission in Sierra Leone
UNDPK	United Nations Department of Peacekeeping
USSR	United Soviet Socialist Republic
WPPS	Worldwide Personal Protective Services

Abstract

Purpose: The purpose of this research is to describe the different services offered on websites by a high profile sample of private military companies. An examination of literature related to the private military industry illustrates the history of non-state actors as well as factors that contributed to the post-Cold War growth of the industry. The main factors discussed are the corporatization of service providers and growing trends of privatization during the Cold War.

Method: Through the use of a conceptual framework, three descriptive categories were developed. Each descriptive category is comprised of sub-categories that identify a type of service offered in the industry. The descriptive categories are drawn from P.W. Singer's book *Corporate Warriors: The rise of the privatized military industry*. They are used to connect to website analysis of existing PMCs. The population studied is drawn using members of a private military trade association called the International Peace Operations Association. Using content analysis, a keyword search was conducted of member websites to identify the percentage of companies offering a given service.

Findings: The data shows that each descriptive category has one service provided by at least half of the companies in the sample and that more than half of the firms examined provided services in at least two descriptive categories. The overall results indicate that PMCs are equipped to deliver a multitude of services. Additionally, the results show how private military companies have equipped themselves to target market niches with wide-ranging contract specifications.

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Chapter 1: Introduction

**I must study politics and war, that my sons may have liberty to study mathematics and philosophy
– John Adams¹**

On March 31st, 2004, four men were killed in Fallujah, Iraq after insurgents attacked the convoy they were protecting. Their bodies were then burned, and hung from a bridge after being dragged through the streets. The events made headlines in the United States and drew attention to an aspect of the Global War on Terror (GWOT) that had gone mostly unnoticed by the public at large. Three of the men were former Army Rangers and the other had served as a Navy SEAL, but they were not soldiers on active duty.² Mike Teague, Jerko Zovko, Wesley Batalona, and Scott Helvenston were employees of Blackwater Worldwide, a then little-known company founded in 1997.

Blackwater Worldwide has come to embody what is known as a private military company. Blackwater and its subsidiaries³ provide a wide array of services. Among others, they provide services ranging from cargo air-drops⁴ to K-9 training⁵ to maritime security;⁶ however, it has been their armed security service that made Blackwater a household name after 2004.

Blackwater is one of several private military companies (PMCs) that comprise the private military industry. The purpose of this research is to describe the different services offered within the industry. When researching private military companies, several difficulties became clear. First, there is no exhaustive list or database of PMCs. It is incredibly difficult to estimate the

¹ Massachusetts Historical Society website. The quote is an excerpt from a letter to Abigail Adams dated May 12, 1780. Available at: <http://www.masshist.org/digitaladams/aea/cfm/doc.cfm?id=L17800512jasecond>

² USA Today website. Available at: http://www.usatoday.com/news/world/iraq/2007-06-10-fallujah-deaths_N.htm

³ More information regarding Blackwater's corporate network is presented in Chapter 4.

⁴ Greystone Limited aviation services website: Available at <http://www.greystone-ltd.com/aviation.html>

⁵ Ortiz (2007, 57)

⁶ The Washington Times. Available at: <http://www.washingtontimes.com/news/2008/dec/04/blackwater-joins-fight-against-sea-piracy/>

number of PMCs that make up the industry. Second, by forming as corporate structures, PMCs have the ability to change their names or move headquarters, both of which can affect research. Last, PMC research may be limited because of proprietary rights or security concerns. Ortiz (2007, 58) states that there are many areas of specialization in the PMC industry and “providing an exhaustive survey of all the services PMCs offer would amount to a Munitions List similar to the one used by the US to control the export of defense goods and services.” So, before beginning Chapter 2, it might be helpful to provide some examples of services currently contracted to PMCs. These examples provide a glimpse of some of the services procured from the industry by the US government.

Figure 1.1: Blackwater's 183-foot ship, the McArthur. Taken from the Washington Times online page. See footnote 5.



Contracts

In the summer of 2010, a contract from the Bureau of Diplomatic Security (BDS) known as the Worldwide Personal Protective Services will expire. Under the WPPS contract, private firms are hired to provide armed security for diplomats and VIPs abroad. The contract was last issued in 2005 to span four years with a value of \$560 million per year. The three companies selected for the contract were DynCorp, Triple Canopy, and Blackwater.

In February of 2010, REDCOM, the U.S. Army Research, Development and Engineering Command “awarded DynCorp International a \$232.4 million cost-plus-fixed fee contract to assist the Combined Security Transition Command-Afghanistan and NATO Training Mission by providing mentors and trainers to develop the Afghanistan Ministry of Defense.”⁷ As part of this contract, one of DynCorp’s duties will be to help train members of the Afghan National Army (ANA). As described in Chapter 2, training services are a major segment of the private military industry.

In the same month, BAE Systems was awarded a technical services contract by the Naval Inventory Control Point worth \$31 million for support of an “electronic countermeasures system used in support”⁸ of the F/A-18 and AV-8B aircraft. The contract is scheduled to last five years, until February 2015. On the Department of Defense website announcing the contract, it is stated that the contract “was not competitively awarded. One company was solicited and one offer was

⁷ From DynCorp International website. Available at: http://www.businesswire.com/portal/site/home/permalink/?ndmViewId=news_view&newsId=20100217006652&newsLang=en

⁸ See Department of Defense Contracts webpage. Available at: <http://www.defense.gov/contracts/contract.aspx?contractid=4218>

received.” While the concept of managed competition will be discussed later, it should not be assumed that all defense contracts are competitively sourced.

The range of services found within the private military industry is reflective of functions performed, or once performed, by the US armed forces. P.W. Singer (2003, 45) notes that some PMCs are equipped to “target market niches by offering packaged services covering a wide variety of military skill sets.” This is evident in each of the contracts mentioned above by looking at the specialization of each service. Armed security, providing training to a foreign military force, and technical support may not appear related at first glance. However, when examined more broadly through the descriptive categories, one fact becomes clear. Each service is connected to a military function.

Chapter summaries

In Chapter 2, a brief history of involvement by private actors in war, and factors that contributed to the growth of the private military industry is presented using literature on the topic.

After discussing the current context of the industry, a conceptual framework is presented in Chapter 3. It classifies the industry into three descriptive categories based on the services offered. Each category is based on the types of services, which are made up from seven sub-categories that are reviewed for the research portion of the project. The three descriptive categories are:

- 1) military provider firms
- 2) military consultancy firms
- 3) military logistics firms

Chapter 4 explains the methodology of the research. The research method used for this project is content analysis. The content analysis is applied to corporate websites and uses a keyword search to determine if any of the services offered by each company are consistent with any of the seven sub-categories. Additionally, a smaller sample is tested by a second, independent researcher to assess if the research could be replicated. The results of the inter-rater sample are presented and discussed.

Chapter 5 presents and discusses the results of the research and makes inferences based on the outcomes with an analysis of a comparison between the two tests. One of the major distinctions revealed was that in each category, one service identified is provided by more than half of the firms.

Chapter 6 provides some concluding thoughts and summarizes the research. Next, the strengths and weaknesses are discussed, followed by recommendations for future research. Last, some closing thoughts on the future of the private military industry are offered.

Chapter 2: Literature Review⁹

This conjunction of an immense military establishment and a large arms industry is new in the American experience. The total influence - economic, political, even spiritual - is felt in every city, every State house, every office of the Federal government. We recognize the imperative need for this development. Yet we must not fail to comprehend its grave implications. Our toil, resources and livelihood are all involved; so is the very structure of our society.¹⁰

The Montreaux Document¹¹ published by the International Committee of the Red Cross (ICRC) defines private military companies, or PMCs, as “private business entities that provide military and/or security services, irrespective of how they describe themselves. Military and security services include, in particular, armed guarding and protection of persons and objects, such as convoys, buildings and other places; maintenance and operation of weapons systems; prisoner detention; and advice or training of local forces and security personnel” (ICRC 2009).

This chapter reviews some of the key literature regarding PMCs. The spectrum of services and the historical process that gave rise to the industry are the primary focus of the research. First, an analysis of the historical development and relevant definitions are provided. Second, three different types of firms are discussed, which also serve as the descriptive categories of the conceptual framework. The descriptive categories are drawn from P.W. Singer’s book *Corporate Warriors: The rise of the privatized military industry*. They are used to structure the website analysis of existing PMCs.

⁹ For more Texas State Applied Research Projects related to military/security topics, see the following: Ari (2007), Brady (2010), Hernandez (2007), Oldashi (2002), Ruiz (2009), Ruiz (2010)

¹⁰ Dwight Eisenhower farewell address. Given January 17, 1961 when leaving the Presidential office of the United States.

¹¹ See ICRC (2009) preface

Early history

The Old Testament book of Samuel tells the story of David, a young musician who helps win a decisive battle, only to become a sworn enemy of his king (Saul). This forces David into a life on the run. The story of David and Goliath, where the future King of Israel defeated a giant Philistine with a single rock from a slingshot is well known; however, often overlooked is David's story while away from King Saul's land.

After falling out of favor with Saul, David formed a group of soldiers and fought for the Philistine king (Achish) throughout the Holy Land, including against Saul's army. According to 1 Samuel 22:2, "all those who were in distress or in debt or discontented gathered around him and he became their leader. About four hundred men were with him" (NCV 2003, 405). During his sixteen months in Philistia, David led raids against neighboring territories that "did not leave a man or woman alive to be brought to Gath" (NCV 2003, 423). For his services, territory known as Gath was awarded to David by King Achish. 1 Samuel tells the story of a soldier for hire around 1000 B.C.

Greece

David's story is not the earliest account. Similar stories have been found from the Egyptian empire, dating two thousand years prior to David. This underscores an adage of mercenarism, that the practice of "hiring outsiders to fight your battles is as old as war itself" (Singer 2003, 19). In *Anabasis*, a Greek student of Socrates tells the story of how he and 10,000 Greek soldiers fought their way out of Persia following the death of their Persian leader around 400 B.C. In his bid to assemble an army large enough to take his brother's throne, Cyrus the Younger "sent orders to the commanders of all the garrisons he had in the cities to enlist as many Peloponnesian soldiers of the best sort" (Xenophon 1998, 1). Prior to crossing the Euphrates

River into Persia, the Greeks threatened to return home unless given a pay raise. Stalled for twenty-two days, Cyrus finally awarded the soldiers a 50% increase and they invaded Persia.

In their first battle against an ally of Cyrus' brother's army, the Greek mercenaries learn after their decisive victory that Cyrus had been killed in the fight. After their offer to fight for the opposing commander (for pay) was denied, they eventually defeated his army. Stuck in a foreign land, faced with no pay and few resources, the soldiers were forced to fight their way out of Persia, and back to the Black Sea.

Pre-industrialization companies

Heibel (2006, 534) states that dating back to Ramses II in 1294 BC, private actors “fought with the Greeks and the Romans, hired themselves out as ‘freelances’ to princes in the Middle Ages and the early Renaissance.” During the 14th century, Italy had the condottieri system. It “began as temporary associations and became permanent military organisms” (Percy 2007, 75). The condottieri were essentially free companies, led by a senior captain, who offered regional protection. This, Shearer (1998, 69) argues, is “an early acknowledgement that hiring mercenaries can often prove more cost-effective than maintain standing armies.”

While Machiavelli's writing in *The Prince* paints the condottieri as unprofessional and unreliable soldiers, this was possibly because of a failure to recognize “the relationship between the condottiere (a mercenary captain) and his employer was kept strictly professional. There was no suggestion of loyalty or allegiance outside the terms of the *condotta* (the contract between the condottiere) and his employer” (Heibel 2006 542). The eventual specialization of the contracts had adverse implications as “the growing need for trade and sales contracts, created a new profession – lawyers” (Uessler 2008, 100). When compared through previous history, modern day PMC's most closely resemble the condottieri (Heibel 2006, 542).

As illustrated previously, the practice of fighting in combat for material gain goes back as long as war has been recorded. The practice is, thus, not recently developed, or a random 20th century phenomenon. This is a common misconception. Shearer (1998, 70) points out that “with the rise of nationalism in the nineteenth century, the idea of fighting for one’s country rather than for commercial interest gained currency.”

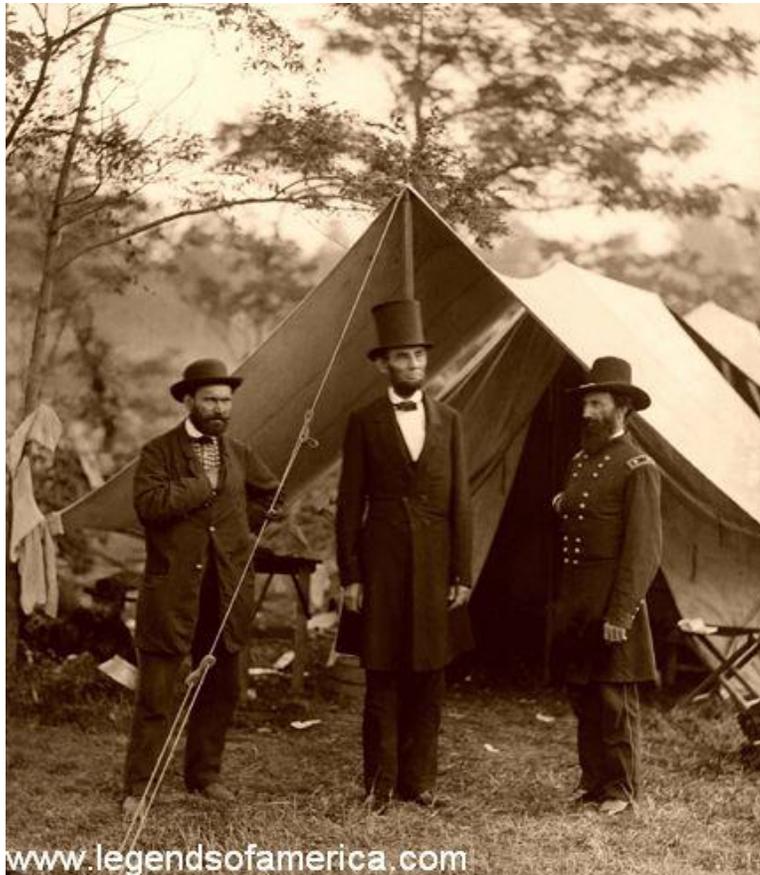
United States

In the United States, contracting began as early as 1798. That year, Eli Whitney offered to manufacture muskets and was awarded a two-year contract to produce 10,000 guns; four years later, DuPont was founded to “manufacture gunpowder. DuPont has been a defense contractor ever since” (Keeney 2008, 16). During the War of 1812, Andrew Jackson was faced with defending the mouth of the Mississippi. He arrived to find the port city of New Orleans unequipped to fight the British navy. In the process of organizing a militia, Jackson’s sea defense was made up of “local pirates, who hated the Royal Navy, on whose ships they were periodically hanged” (Johnson 1997, 275). Contracting pirates benefited the American war cause, and certainly the pirates. By the end of the war, the US government issued “more than five hundred letters of marque to privateers, who captured or sunk more than seventeen hundred British ships,” with one capturing forty vessels and earning \$5 million in the process (Lanning 2005, 120).

Contracting continued through the Civil War. Johnson (1997, 475) states that during Lincoln’s presidential campaign in 1860, Allan Pinkerton’s detective agency was hired to manage security. The agency was later hired again to build an army intelligence infrastructure and conduct work south of the Mason-Dixon Line. Their role should not be underestimated. Singer (2003, 99) describes Pinkerton’s agency as “the primary intelligence organization for the

Union side; that is, until the Union considered them serious enough to develop its own spy forces.” Pinkerton’s agency served as the model for what would become the federal Secret Service.

Figure 2.1:¹² The motto of the Pinkerton Detective Agency was “we never sleep.” From left to right: Allan Pinkerton, President Lincoln, and Major General John A. McClernand.



Overall, the experience was not a positive one. Keeney (2008, 16) sums up the result stating that “profiteering and fraud were the hallmarks of government business,” with major quality issues related to everything from shoes and uniforms to bayonets and guns. These issues would make way for the commissary system, but the experience did not deter the federal government from future contracting. Avant (2006, 328) states that until U.S. involvement in

¹² From the Legends of America website. Available at <http://www.legendsofamerica.com/WE-Pinkertons.html>

Vietnam, “the primary use of the private sector in wartime was for the manufacture of weapons and logistics materials.” Laying the seeds for the significant growth of the private military industry, the Cold War would coincide with two other major factors, which are discussed in greater detail later.

One final point should be addressed before discussing the international scene during the Cold War. President Eisenhower used his farewell address to discuss the military industrial complex. World War II ignited technological innovations, thus stimulating companies in the defense industry to meet demand. Dunne and Skons (2009, 5) explain how during the war, government-funded projects for universities, businesses, and the military all contributed to “the new defence industry.” Essentially, the contracts during the war were so profitable that, after the war ended, the industry continued lobbying for increased arms procurement. Although Eisenhower was addressing an issue relative to his era, his words still apply. Then, as now, the concerns of the defense industry’s dependence upon the government, and vice-versa are even more of a reality.

The Cold War

The Cold War increased the demand for private military suppliers (legal and illegal) in two major ways. On the international scene, hired guns migrated to conflict zones that existed largely because the superpowers backed movements with alleged like-minded ideologies in regional conflicts. Rhodesia,¹³ Vietnam, Mozambique, and other countries across the world endured civil wars which served as battlegrounds fed by Western nations and the United Socialist Soviet Republic (USSR). With the instability in Africa in the 1960s and 70s and “the

¹³ Present day Zimbabwe

support provided to competing factions by the two superpowers, mercenary activity flourished” (Heibel 2006, 543).

For example, following the departure of the United Nations (UN) from the Congo in 1964, the country faced a rebel movement “composed mostly of teenagers supported by the Soviet Union and other communist regimes” (Lanning 2005, 157). Notorious for witchcraft and cannibalism, the rebels targeted anyone loyal to Prime Minister Moïse Tshombe “and whites of any cause or country” (Lanning 2005, 157). One mercenary from Ireland, Mike Hoare, had several dramatic events that took place while leading his paid volunteers, known as “5 Commando.” On one occasion, Hoare rescued more than 150 nuns and priests held hostage in Katanga. During a separate battle in the Congo, “unbeknownst to the participants at the time, the world’s most famous mercenary Mike Hoare – was fighting the world’s most notorious communist guerrilla leader – Che Guevara” (Lanning 2005, 161).

During the same period of Hoare’s activity, other mercenaries like Bob Denard, Coostas Giorgiou (Tony Callan), and Jacques “Jack” Schramme became infamous by fighting and leading soldiers-for-hire in virtually every African conflict. Callan was “hired by the CIA in a hopeless last-ditch stand by the CIA to stem the advance of a joint MPLA and Cuban offensive northwards out of Luanda – Callan – more psychopath than soldier – led the pack in sheer brutality” (Venter 1998, 8). Following his capture by MPLA forces, “Callan was accused of massacring 14 of his own mercenary soldiers and sentenced to death” (Nossal 1998, 24).

The action taken in Angola was representative of the sentiment held by post-colonial African leaders towards mercenaries. The mercenaries’ actions earned them the nickname *Les Affreux*, or ‘the terrible ones.’ Without a doubt, this period still influences attitudes today. Heibel (2006, 543) echoes this, pointing out that the impact on the African continent “had a

chilling effect on the world community and, in large part, shaped world opinion of private soldiers.” There are multiple factors that influence the current perception of the private military industry, but the period during the Cold War leaves a particularly unpleasant image of anything close to PMCs. According to Musah and Fayemi (2000, 22), even though they were motivated primarily by money, the goals of “freelance soldiers often coincided with the policies of their home governments and they almost always had quasi-governmental backing for their operations.” This type of inter-networking helped the growth of the private military industry by building on similar, military-oriented networks.

The classical mercenaries worked in “smaller, *ad hoc* outfits... These ‘dogs of war’¹⁴ are known for their disloyalty and lack of discipline. Many have committed acts of banditry, rape, and an array of atrocities in the mutilated host countries” (Schreier and Caparini 2005, 16). While mercenaries have been present in conflict areas such as the Balkans and Latin America, Singer (2003, 44) notes that “the entire process of black market trade in military services remains inefficient... And few can be credited with having any great influence on the ultimate outcome or even the continuance of the conflicts in which they have become involved.” When their effectiveness is compared to PMCs, Schreier and Caparini (2005, 17) state that “mercenary units are far from having the skill, capital, established methods, and capabilities to provide complex multiservice operations.”

Due to the nature of their work, employees of PMCs are sometimes called mercenaries. The perception varies from one individual to another. As previously noted, the connotations associated with the word “mercenary” are derived from the actions taken by the individuals

¹⁴ The Dogs of War was a novel written by Frederick Forsythe about mercenaries who attempt to overthrow a fictional, tiny (and oil-rich) country off the coast of Africa. The book has become synonymous with the failed Wonga Coup in Equatorial Guinea in 2004.

outlined above. Many articles are available discussing the differences, or lack thereof, between mercenaries and contractors.¹⁵ The purpose of this research is to examine the services of the industry, not to determine the line between a contractor and mercenary. The discussion of mercenary activity is still significant because, while they are a precursor to the modern day PMC, both mercenaries and contractors represent non-state actors in an environment of conflict.

This research acknowledges that the legitimacy of PMCs varies. Some PMCs are contracted by legitimate authorities like the U.S. and UN; however, that is not the case for all. Ortiz (2007, 61) points out that illegitimate “mercenary outfits” can operate in the periphery and that “sound judgment is needed” to distinguish legitimate organizations from illegitimate ones. Although the debate will surely continue, it should be noted that for this research, mercenaries and PMCs each represent a type of private actor in warfare. Elements of corporatization within the industry are further discussed in Chapter 4.

Elimination of the draft

Arguably, one of the greatest impacts on the private military industry took place in 1973. Thirteen years after the UK, the United States abolished conscription into the armed forces in favor of an all-volunteer force (AVF).¹⁶ While multiple factors influenced this decision, its effect on the military is relatively simple. It made “military personnel more expensive, *leading to substitutions between equipment (capital or weapons) and labour*, as well as between military personnel and cheaper labour inputs, such as civilians and less skilled labour” (Hartley 2000, 2).

Without a draft, a military is fundamentally altered. With an AVF, tasks performed by soldiers are examined to see whether another format would work. Hence, training, support

¹⁵ See Heibel (2006), Kinsey (2008), Morgan (2008), Ridlon (2008)

¹⁶ For additional information on the AVF, see Rostker (2006).

behind battle lines, and other factors that were performed by the military could be contracted out. The ultimate goal of an “AVF will be an improved allocation of resources, with the pay of military personnel reflecting relative scarcities (their alternative-use value or opportunity costs) (Hartley 2000, 2). This transition shows one of the early impacts privatization had on the PMC industry. Shields and Hofer (1988, 34) point out that the shift to an AVF represented a type of privatization “because a nonmarket mechanism was replaced by competition in the labor market.” In the United States, with an AVF (as opposed to a conscripted force), private companies have taken on functions previously performed by conscripts, such as logistics, training, and security.

Privatization

Another factor that contributed to the growth and use of PMCs was privatization.¹⁷ Multiple definitions of privatization have been put forth. British economist George Yarrow (1986, 325) defined it as “the transfer from the public to the private sector of entitlements to residual profits from operating an enterprise.” However thinly veiled, Yarrow’s definition reveals his notion that a government should not compete for “entitlement to residual profits,” because that is the role of the private sector (in Yarrow’s view). A 2005 report from the Congressional Research Service defines privatization as “the contracting out of government goods and assets” (Grasso 2005, 2). Shields (1992, 22) points out that “privatization rationalizes government by introducing market models and techniques to the delivery of public services.” This is exactly the role privatization has played in the private military industry.

After the fall of the Berlin Wall, there was an “overall change in economic and political thinking, with an expansion in privatization and a greater acceptance of outsourcing government

¹⁷ See Schreier and Caparini (2005), Singer (2004), Wither (2005)

activities to the private sector” (Perlo-Freeman and Skons 2008, 3). In the United States, the adoption of privatization-oriented policies ensured that clients like the Department of State and Department of Defense would remain open for business in the military sector.

Although the proportion today is likely different, prior to 1980, outsourcing existed at every level of government in the U.S. Henig (1990, 657) claims that this was not part of an “unacknowledged privatization movement, but a series of pragmatic adjustments, more often undertaken in the context of an expanding public sector rather than in a deliberate effort to shrink the governmental realm.” Henig’s statement is open to debate. Although privatization had not yet become a major policy initiative in 1980, it could be argued that such a movement was well underway, particularly in defense circles.

One example is the Worldwide Personal Protective Services (WPPS) contract mentioned in Chapter 1. Although WPPS was not formally created until 2000, the opening for contracting with the private sector by the BDS dates to the Diplomatic and Antiterrorism Act of 1986. In his testimony before the House Committee on Oversight and Government reform, Ambassador Richard Griffin of the BDS stated that after the bombing of the US Embassy in Beirut in the early 1980s “and in conjunction with the Diplomatic Security and Antiterrorism Act of 1986, private companies were afforded the opportunity to compete for security contracts at U.S. overseas missions.”¹⁸ Where DynCorp and Triple Canopy have replaced US Marines, this may have marked the beginning of contracting functions previously performed by armed combat forces.

¹⁸ Richard Griffin, October 2, 2007. Griffin’s statement can be accessed through the US House of Representatives’ Oversight and Government Reform Committee’s website at: <http://www.reform democrats.house.gov/documents/20071002145249.pdf>

During the presidency of Ronald Reagan (1980-1988), privatization became an official policy of the United States government. Reagan was “inspired by the success of Margaret Thatcher in Britain, who had set about reducing the size and role of the state by her campaign of curbing expenditure and taxation and regulation, and by her privatization of the state sector” (Johnson 1997, 919). In fact, after “the Reagan administration explicitly adopted the still unfamiliar term of ‘privatization’ along with the argument that privatization” was necessary, it became permanently etched on the federal government’s agenda (Henig 1990, 661).

E.S. Savas (2000, 16), an assistant secretary of the US Department of Housing and Urban Development during Reagan’s tenure, observed that by “the mid-1990s, privatization of state and local services in the United States was universal.” Essentially, as the Cold War was winding down, government contracting¹⁹ was becoming the norm. The military was no different. Shields (1988, 33) notes that the increase in defense outsourcing could be “explained by OMB Circular A-76 and the Reagan administration’s philosophical push toward increased reliance on the private sector.”

OMB Circular A-76

A major catalyst of government-wide contracting in the U.S. is the Office of Management and Budget’s (OMB) Circular A-76, “Performance of commercial activities.” According to Grasso’s report from the CRS (2005, 3-4), the A-76 policy rests on four assumptions:

(1) The federal government should not compete against its citizens but rely on the commercial sector to supply products and services needed by the government.

¹⁹ For more Texas State Applied Research Projects about contracting see: Alexander (2009), Dovalina (2006), and Wilson (1999)

(2) The government can conduct cost comparison studies to determine “who best to do the work” through a process of “managed competitions.”

(3) Market forces can determine the most effective and cost-efficient methods to operate functions in both government and commercial sectors; and

(4) The nature of competition within the marketplace can be “self-managed,” and not require government oversight.

The purpose of A-76 was primarily to establish which functions are “inherently governmental” and which “must be performed only by federal employees” (Voelz 2006, 23). Under A-76, competitive sourcing initiatives determine if services should be contracted from the private sector. These cost-comparison studies use three different kinds of managed competition for the cost evaluation phase. The first competition exists between two or more private firms (private/private). The second is a competition between two public agencies (public/public). In the third type, bids are solicited by both public and private organizations (public/private). A-76 provides statutory reference to all federal agencies; however, it has been used more extensively on defense-related positions. Table 2.1 shows the acceleration of cost competitions in the Department of Defense while “the A-76 process became all but moribund in other branches of government” (Markusen 2001, 480).

Year	Total Positions	Defense Department Positions Studied	Non-Defense Department Positions Studied	% Defense contracts studied
1984–1987	63,636	48,028	15,608	75%
1988	17,249	12,000	5,249	70%
1989	8,469	6,100	2,369	72%
1990	9,547	6,989	2,558	73%
1991	2,026	1,243	783	61%
1992	564	496	68	88%
1993	509	441	68	87%
1994	1,691	1,623	68	96%
1995	2,386	2,128	258	89%
1996	5,267	5,241	26	100%
1997	25,255	25,225	0	100%
1988–1997	72,963	61,486	11,447	84%
Totals	209,562	171,000	38,562	82%
Markusen 2001, 481				

The impact of A-76 on the industry cannot be understated. Aside from the Defense Department, multiple agencies contract with PMCs using A-76 because they are required to do so by law. The Federal Activities Inventory Reform Act of 1998 (FAIR) requires A-76 compliance and “forces agencies to outsource when utilizing the private sector would be more economical and efficient” (Waits 2006, 503). As Avant (2005, 35) noted after talking to a founder of Military Professional Resources Incorporated, the “increasing enforcement of this requirement encouraged the development of new companies.” Table 2.1 indicates how the increase in the percentage of cost competitions after 1992 combined with the changes in the international climate to contribute to the growth of the private military industry.

The summary of the aforementioned factors is that “professional armies have been downsized since 1989 and stretched thin” while at the same time, the world has become less stable (Singer 2004, 2). In the United States alone, the number of active duty military personnel

decreased from 2,174,200 to 1,385,700 between 1989 and 1999.²⁰ Additionally, Hedahl (2009, 21) notes that “service contracts have increased from 20% of the total military budget in 1997 to more than 40% in 2007.” Avant (2008, 329) states that “this combination of a smaller number of troops and more deployments caused a constant stress on the sheer number of personnel,” leaving PMCs to “fill the gap.” According to Perlo-Freeman and Skons (2008, 3), four trends influenced enhanced demand for private military services: “the changing nature of armed conflict, the increase in expeditionary operations undertaken by armed forces, changes in military technology and the loss of military expertise due to layoffs.” The trends resulted in Western governments focusing on “redefining and maintaining only core competencies” (Schreier and Caparini 2005, 4). Remaining functions, or non-core activities, were contracted out to PMCs.

9/11 and beyond

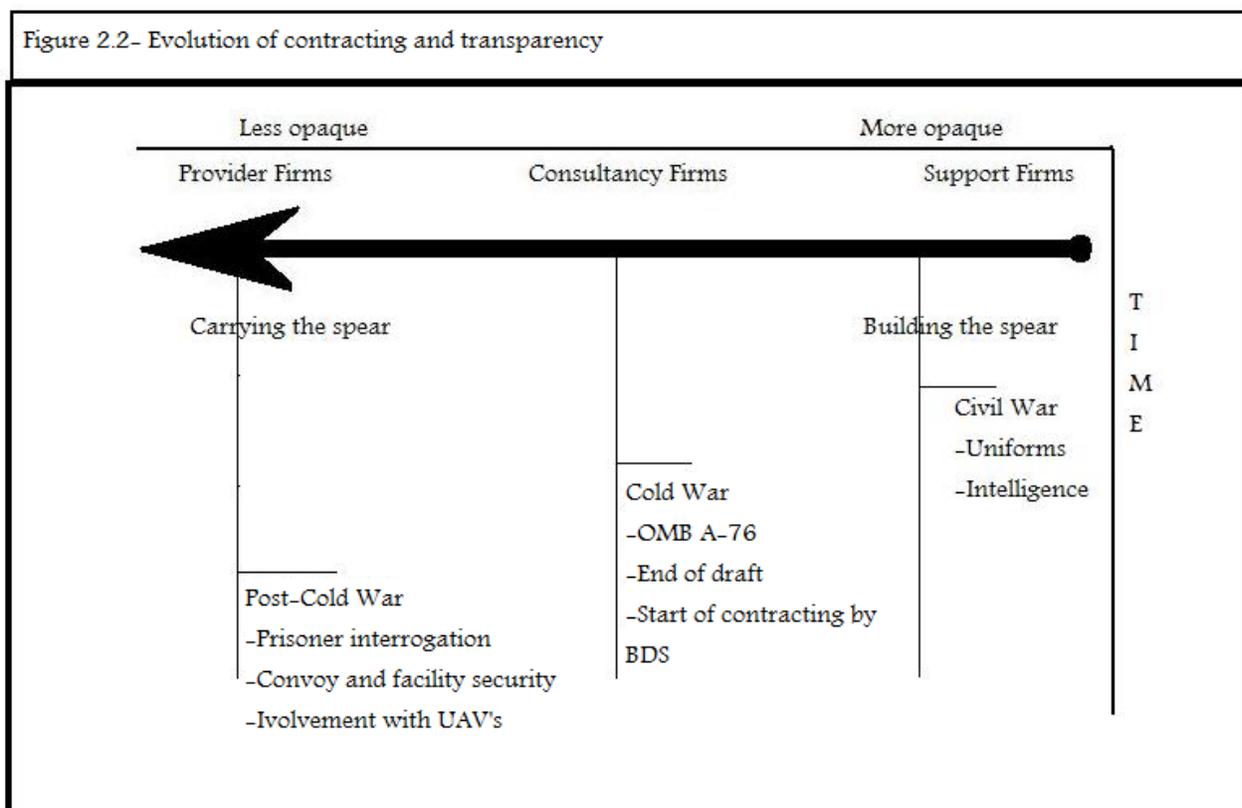
The trends coincided with the inception of the War on Terror and the results are clear. In terms of manpower, the ratio of civilian contractors to military personnel has significantly decreased in the past twenty years. One CBO (2008, 1) report estimates that “at least 190,000” contract personnel are present in the Iraq theater alone; thus creating a ratio that is “at least 2.5 times higher” than any major U.S. conflict in history. Levy (2010, 385) provides some perspective, noting that the ratio of contractors to military personnel was “1:5 in Vietnam and 1:7 in World War II.”

Apart from the unprecedented volume of contractors, PMCs have taken on functions reserved for armed combat operators. Aside from traditional support functions, a report from the Congressional Research Service (CRS 2008, 2) observes that contractors are providing “critical

²⁰ Ridlon 2010, 201

front-line combat support that puts them directly on the battlefield...including interrogating prisoners, working as translators for combat units, providing security for convoys traveling through the battle space and providing security for forward operating bases.” There is a growing concern to where this might lead. Hedahl (2009, 20) points out that in addition to fulfilling traditional support functions, PMCs “appear to be conducting combat operations.” Pressed with the personnel shortages outlined above, Iraq and Afghanistan have created a source of demand for services of this nature. Although core functions may not be being officially contracted, it is clear that the lines have become more blurred. This is illustrated in Figure 2.2. It is meant to show how, as services more closely resembling functions at the front line of combat (the tip of the spear) have been contracted, they have become less transparent in the public eye. Furthermore, it shows how the services have progressively become more lethal over time.

Figure 2.2 – Author’s work



Private military companies defined

Unfortunately, there is a lack of consensus and international agreement on a definition for PMCs. It is therefore difficult to make distinctions between mercenaries and private military employees²¹ (or contractors). Focusing on the services, Singer defines PMCs as “business providers of professional services that are intricately linked to warfare” (Singer 2004, 1). This definition is accepted for this research because the provision of military services from a private industry is aligned with the focus of this research. While Singer believes that they are the modern day evolution of “the age-old practice of mercenaries,” he distinguishes the two by pointing out that “they [PMCs] are corporate bodies that can offer a wider range of services” (Singer 2004, 1). Mercenaries of the past have experienced a Wal-Mart effect. More advanced competitors with greater economies of scope and scale have entered into a market with low levels of competition that was highly decentralized.

An alternative definition is found in the Geneva Convention;²² however, it “has been judged unworkable by many authors and will very seldom be applicable to personnel of private companies” (Faite 2005, 169). The Green Paper,²³ a document that addressed PMC regulation in the UK echoed this problem arguing “a number of governments, including the British Government regard this definition [the Geneva Convention’s] as unworkable for practical purposes... in its aborted contract with Papua New Guinea [PNG] (1997), Sandline International’s employees were to be termed Special Constables,” preventing them from being classified as mercenaries under international law (UK Foreign and Commonwealth Office 2002,

²¹ See Brooks (2002), Heibel (2006), Morgan (2008), Schreier and Caparini (2005)

²² See Appendix I

²³ Foreign and Commonwealth Office – HCC 577 Private military companies: Options for regulation 2001- 02 (2002)

7). With a brief understanding of the historical context that gave rise to PMCs in place, the next chapter discusses the conceptual framework.

Chapter 3: Conceptual framework

Since the purpose of this research is to describe different services offered by PMCs, it is necessary to use a taxonomy that classifies companies accordingly. For example, companies may be classified according to their client or location of headquarters. This research examines services provided by PMCs. In this chapter, two alternative frameworks are first identified. Next, the conceptual framework is described, which uses three descriptive categories. In the discussion of the descriptive categories, keywords used for the research portion are italicized as they appear in citations. Within each category, multiple sub-categories are identified. The descriptive categories used are drawn from Singer's book, *Corporate Warriors* (2003).

It should be expected that companies will offer services representing multiple categories. Morgan (2009, 216) says that Singer is correct when he claims his taxonomy "cannot always be applied with precision to all firms in the military services market-some firms may exhibit characteristics of more than one classification at any given time." Singer (2003, 92) acknowledges that firms will cross multiple boundaries within the taxonomy but defends this saying "the proviso of any such typology, however, is that it is a conceptual framework rather than a fixed definition of each and every firm." The conceptual framework using Singer's taxonomy is provided at the end of the chapter in Table 3.1.

Alternative taxonomies

Aside from Singer's framework, other methods of classification have been proposed. Doug Brooks, founder of the International Peace Operations Association, classifies companies within the "military service provider [MSP] industry" (Brooks 2002, 8). Brooks defines MSPs as "lawful, profit-seeking companies utilizing normal corporate structures and behaving as any other normal companies behave, with similar profit-oriented motivations and, importantly,

constraints” (Brooks 2002, 8). Brooks’ outlook fails to consider that the market in which PMCs operate is not as similar to that of companies in say, consumer industries. Among other things, the level of competition is questionable, given that firms are awarded no-bid contracts and the PMC industry has high barriers to entry. Brooks does not include all service providers in the MSP industry as PMCs. Instead, Brooks uses three categories: “non-lethal service providers (NSPs),” “private security companies (PSCs),” and “private military companies (PMCs)” (Brooks 2002, 9-12).

Non-lethal service providers provide services for “a variety of non-combat operations, including logistics..., intelligence and mapping services, risk assessments... and mine clearance operations” (Brooks 2002, 9). Private military companies are separated into two categories. One is what Brooks calls “passive” firms. These firms focus on training and developing force structure and do not serve with their client’s militaries. The other type, called “active,” carry weapons into combat alongside their clients, as well as provide strategic advice and training (Brooks 2002, 11). The final category put forth by Brooks is the private security company. These companies “provide passive security for public and private operations in high-risk conflict zones” (Brooks 2002, 9).

Foreign and Commonwealth Office classification

Another system of classification was presented in the Green Paper, published by the Foreign and Commonwealth Office. The FCO reports that “a wide spectrum of people and companies- some of them respectable and legitimate, some of them not- may be involved in the supply of military services abroad” (UK Foreign and Commonwealth Office 2002, 7). In category one, (historical mercenary), these combatants are soldiers of fortune, “occasionally misguided adventurers, often disreputable thugs, ready to enlist for any cause or power ready to

pay them” (UK Foreign and Commonwealth Office 2002, 7). Category two (volunteer) is similar to mercenaries because they may be paid; however, they are motivated primarily by ideological, rather than financial, motives. Islamic militants fighting in Afghanistan or members of the Irish Republican Army are examples of volunteers. Category three (servicemen enlisted in foreign armies), could include Nepalese Gurkhas who serve the British army or members of the French Foreign Legion. The distinguishing characteristic is that the individual is a member of a foreign military. Unlike volunteers and mercenaries, these servicemen may take an oath of allegiance to the foreign army’s government. Upon completion of training, these members are absorbed into a unit within the nation’s armed forces.

The FCO acknowledges the blurred line between categories saying “governments may recruit, either temporarily or permanently, people much closer to the traditional concept of a mercenary” (UK Foreign and Commonwealth Office 2002, 7). The fourth category shifts the focus to noncombatants, defense industrial companies, which supply equipment and maintenance packages (UK Foreign and Commonwealth Office 2002, 7). The final category is private military companies who “may provide a range of different services. At one extreme they may provide forces for combat” but, much like the mercenary, volunteer, and servicemen in foreign army classifications, in some cases PMCs can be indistinguishable from DICs (UK Foreign and Commonwealth Office 2002, 8).

While multiple categorizations have been put forth,²⁴ Singer’s conceptual framework was selected because it was most closely aligned with the purpose of this research. First, Singer’s taxonomy segments the industry by service. Unlike taxonomies that categorize the industry by

²⁴ See Avant (2005), Morgan (2009), Ortiz (2007)

actor²⁵, Singer's divides the industry along service lines. Singer's taxonomy allows the services to be identified and determine the percentage of companies offering them. Singer's taxonomy is also used because his definition of "military provider firms" encompasses companies that provide armed security services. Singer's three descriptive categories are:

- 1) military support firms,
- 2) military consultancy firms, and
- 3) military provider firms.

Although Brooks' taxonomy is similar to Singer's, it was not selected because the "active" versus "passive" concept conflicted with the purpose of the research. If this research had used Brooks' framework, companies would have to be classified based on a single contract. For example, a PMC may be "active" in one capacity, but "passive" in another. When contrasted against Brooks', the Singer taxonomy offers greater flexibility when classifying firms by allowing them to be placed in multiple descriptive categories. This offers the research the benefit of seeing the diversity of services for each analyzed firm. An additional benefit is that Singer's framework allows firms that provide armed security services to be classified as provider firms, rather than setting aside a category for a security company. In other cases, companies providing armed security are classified separately as private security companies.²⁶ Ortiz (2007, 62) distinguishes between PMCs and traditional security companies saying that "the intrinsic military nature" and the strategic potential with offensive force for clients provides a clear distinction. In this paper, the term (PSC) is used interchangeably for provider firms.

²⁵ Morgan (2009), UK Foreign and Commonwealth Office (2002)

²⁶ Bjork and Jones (2005), Cock (2005) Mkutu and Sabala (2007)

Singer's taxonomy was favored over the FCO taxonomy because of the ease of distinction between types of firms. The FCO framework would have only allowed research conducted on DICs and PMCs since the focus of this research is on legitimate providers. The primary issue pertaining to the FCO taxonomy is that it is not specific enough in distinguishing between DICs and PMCs. Consequentially, the process of clearly defining what constitutes a DIC, but not a PMC, would have been troublesome. It was also considered that the lack of separation between the two could have been problematic when the content analysis was applied.

Singer's typology

Singer's framework is developed along a military analogy called "tip of the spear."²⁷ In the analogy, the spear represents the scope of military functions. Singer's typology "distinguishes between the range of services in the industry by considering the closeness to the actual fighting" (Pattison 2008, 156). The sharpened tip of the spear represents units involved in direct, front-line combat. At this level, objectives are to command forces in a way that complements the campaign's strategic interests.

In the direction of the handle of the spear, units begin moving farther away from the front lines and eventually, combat altogether. The middle of the spear represents the training and strategic planning required for military success that supports front-line units. This is based on the principle that, through training, forces are more effective in combat. Additionally, strategic planning may involve war strategy or a plan that increases retention or recruitment.

At the farthest point from the tip, units fulfilling basic support functions are found. With the use of Singer's taxonomy, PMCs can be classified "into three types of firms through a framework based on the merging of the tip-of-the-spear analogy and the breakdown of the

²⁷ See Singer 2003, 91 (Illustration on 93)

outsourcing business (service providers, consultative firms, and non-core service outsourcing)” (Ortiz 2007, 58).

From services delivered at the front line to outside the theater of war, the privatized military industry is thus organized into three broad sectors:

- *Military Provider Firms*
- *Military Consultant Firms* and
- *Military Support Firms* (Singer 2003, 91).

**War is not polite recreation but the vilest thing in life, and we ought to understand that
and not play at war – Leo Tolstoy²⁸**

Military support firms

The first descriptive category is the military support firm. Military support firms are contracted to fill support roles that range from supply chain management of a single service (such as construction on new or existing facilities) to full-scale management of military bases. Outsourcing to support firms is nothing new. From the “Revolutionary War through the Vietnam War, contractors provided traditional logistical support such as medical care, transportation, and *engineering* to U.S. armed forces” (Schwartz 2008, 1). After the Cold War, “the US military, faced with the need to cut forces, has reacted by cutting support elements more and, as far as possible, leaving ‘front-line’ forces intact” (Taylor 2004, 188). The military’s reaction is significant. A report by the Congressional Budget Office (CBO) that evaluated contractors’ ability to support the armed forces in Iraq stated that from 2003-2007, USAID and

²⁸ War and Peace

the State Department obligated roughly \$9 billion in contract support. On the other hand, “the Department of Defense (DoD) awarded contracts totaling \$76 billion...most contract obligations over the 2003-2007 period were for logistics support, construction, petroleum products, or food” (CBO 2008, 1).

Services delivered by support firms “include nonlethal aid and assistance, including *logistics*, intelligence, *technical support*, supply, and transportation,” and their core competencies are “secondary tasks not part of the overall core mission of the client” (Singer 2003, 97). In this capacity, support firms provide services that are secondary tasks, but vital to the success of a force. Without an adequate support structure in place, the effectiveness of a mission is severely hampered. The sub-categories representing support firm services are logistics, information technology, and facilities management.

Logistics

Perlo-Freeman and Skons (2008, 7) describe logistics, or supply chain management, as the process of acquiring the goods to be transported for the military. Similarly, Singer (2003, 98) notes that a military logistics role is one of “transporting and supplying the troops on the battlefield.” Effective logistical management is vital to the success of a deployed force and it is between these two definitions that the magnitude of logistics services may be understood. Not only are they critical because they transport military personnel from Point A to Point B, they also transport every resource necessary to support those personnel. This makes what the CBO (2008, 2) calls “traditional *logistical support*-such as delivering food” of tantamount importance. Perhaps best put by Cleaver and May (1995, 3), the most important part of a military or peacekeeping operation is “the ability to place it where it is needed, when it is needed.

Consequent to that is the ability to support it once it has been deployed.” Essentially, logistics is the oil that keeps a war machine running.

Major logistics contracts have been awarded by the DoD under the Logistics Civil Augmentation Program, or LOGCAP. It was created in 1985 to incorporate companies with logistics capabilities into support roles for the US military. Under LOGCAP, OMB A-76 has been the vehicle used to solicit and procure contracts. Contracts may be awarded for locations all around the globe and potentially involve each service filled by support firms. Kidwell (2005, 19) points out that throughout the 1990s, LOGCAP contracts totaling more than \$268 million were awarded to support military operations in Somalia, Rwanda, Haiti, Southwest Asia, and Italy.

Logistics is the most widely used form of outsourcing in terms of money and personnel, and the industry has found many clients (Uessler 2008, 72). According to Heibel (2006, 541), in 2001, the UK “began transferring *complete*²⁹ control of key military services, including air-to-air refueling and aircraft support for the Royal Air Force to private companies,” while the United States has used PMCs to provide “airlift and *logistics* to peacekeepers.” In similar fashion, the UN has contracted with PMCs such as Pacific A&E³⁰ and DynCorp to support peacekeeping missions. According to DynCorp’s website, they provide “the provision and *management* of long-range *supply chain* operations, equipment maintenance, construction, medical evacuation, and training” in support of “the first UN/AU-approved peacekeeping forces in Somalia in 12 years.”³¹ The African Union has also contracted both companies to provide “housing, office

²⁹ Emphasis mine

³⁰ FCO 2002, 19

³¹ Available at DynCorp’s website: <http://www.dyn-intl.com/cs-somalia.aspx>

equipment, and transport and communication equipment in support of AMIS”³² (Aning et al. 2008, 628).

Technical services

Technical services are “a broad category relating to the operation and support of military and equipment systems. It includes: *IT services*, which may be linked to particular systems or general design, implementation and support of IT infrastructure for defence ministries and armed forces; systems support;³³ and equipment MRO”³⁴ (Perlo-Freeman and Skons 2008, 6). As can be expected, IT contracts require personnel with highly specialized knowledge, thus making them quite costly, but proponents “suggest that the repair and maintenance of equipment, unless undertaken in the midst of fighting, need and should not be a core competence of the military” (Taylor 2004, 188).

Technical support is comprised of “information technology (IT) systems, *communications*,” and management of the ever increasing technology curve (Ortiz 2007, 56). While this segment of the industry often receives little attention, Singer (2003, 99) makes the point that its development and expansion has created more opportunities for PMCs, even as it is growing ever more important for the US military. During Operation Desert Storm, “more than 1,000 technical representatives from more than 50 US companies proved vital to maintaining and modifying complex military equipment and thus were key to the logistics success in the war” (Taylor 2004, 195). Twenty years later, the use of unmanned aircraft (or UAV) like the Predator drones serve multiple functions. These range from providing reconnaissance for soldiers in the theater of war to targeting terrorists and their hideouts, such as in the northeast region of Afghanistan. The Predator example validates Avant’s (2006, 509) point that “as conflicts have

³² African Union Mission in the Sudan

³³ Ongoing support and operation of military systems after their entry into service

³⁴ Maintenance, repair, and overhaul.

become more technology dependent, private provision of operational support has moved closer to the core.”³⁵

Technical services extend beyond UAVs and ensuring telecommunications networks operate effectively. As computer systems become more susceptible to hackers and online terrorists, cyberwarfare³⁶ becomes a realistic new frontier of war. Singer (2003, 100) notes that although cyberspace problems are primarily technical, “they also involve military specialties and approaches.”

Facilities management

Best described by Perlo-Freeman and Skons (2008, 8), “*facilities management* can involve the full-scale operation of all aspects of a military base—from administration via logistics to equipment support.” During NATO’s operation in Kosovo, “the U.S. firm Brown and Root Services (BRS) supplied U.S. forces with 100 percent of their food, 100 percent of the *maintenance* for tactical and nontactical vehicles, and hazardous material handling; 90 percent water provision; 80 percent of their fuel provisions, and 75 percent of the construction and heavy equipment transfers” (Singer 2003, 145). The service structure used by BRS provides a good example of facilities management. Construction, provision and transportation of needed goods to a base, and operation of outlets to deliver goods (such as food and housing services) are essential components of facilities management.

In the simplest terms, facilities management incorporates curb-to-gate delivery of all services required to maintain and operate a military station. Apart from those listed above,

³⁵ According to Avant (2006, 509), when flying the UAV’s “contractor personnel essentially fly the plane; only when it is in the position to launch its missile do military personnel take over to push the launch button.”

³⁶ Singer (2003, 100) refers to this as “netspionage.”

Brooks and Laroia (2005, 121) note that in peacekeeping operations, other activities such as “building bases for peacekeepers, maintaining infrastructure, operating water purification systems and airfields, and managing transportation systems” are also involved.

The array of services offered by facilities management firms vary in size and scope. It is no coincidence that some of these firms are major players in sectors outside of the private military industry. Among the most notable are AECOM, Bechtel, Halliburton, and KBR. Singer (2003, 98) notes that these “military support sector firms” have modeled their service delivery after “general support sector firms” that offer “institutional facilities management and, of course, general supply-chain management.” In their description of major services, Schreier and Caparini (2005, 52) state that “management of military bases” primarily supports military personnel, but that the number of clients is “few governments.” Moving towards the middle of the spear leads to the second category, military consultancy firms.

Military consultancy firms

The second descriptive category is military consultancy firms. These firms “provide advisory and *training* services integral to the reorganization and restructuring of a client’s armed forces. They offer strategic, operational, and/or organizational analysis” (Singer 2003, 95). Firms in this category can change a military, or develop war strategy. The subcategories within the military consulting category are training services and advisory/consulting services. Their distinguishing characteristic is that, unlike provider firms, it is their client who bears the risk in battle.

Training services

Where do foreign states look when they need to modernize and organize a more effective military? If they are friendly with Western powers, they may choose from any number of firms

in the private military industry. For example, Vinnell (owned by Northrop-Grumman) has trained the Saudi Arabian National Guard since 1975. According to the Center for Public Integrity, in 2003 Vinnell received a five-year contract worth \$800 million to train ground forces, the Saudi Arabian Air Force, and other elements of their military.³⁷ In the US, there is only a slight difference. Domestically, Xe has been contracted to train “US navy personnel in force protection, shipboard security, search-and-seizure techniques, and armed security duties” while Military Professional Resources Incorporated has “taken over the US Reserve Officer Training Corps (ROTC) programs at over 200 universities” (Schreier and Caparini 2005, 24).

Training services are a significant feature in the private military industry. Singer (2003, 96) notes that the typical client is either “in the midst of military *restructuring* or aiming for a dramatic increase in its capabilities.” Services may range from combat to technical training. In Iraq, military consultancy firms have been contracted for training programs of “the post-Saddam army, post-Saddam paramilitary force, and post-Saddam national police” (Singer 2004, 6). In fact, the first PMC³⁸ was founded to provide training-oriented services.³⁹ Countries known to have received training from PMCs are vast and wide; a short list would include Angola, Liberia, Colombia, Panama, Kosovo, and Jordan.⁴⁰ Training services are not limited exclusively to preparing combat and security forces. Some training services procured by foreign states are designed to have effects beyond strengthening the warrior’s ability to conduct war. Vinnell (Northrop Grumman’s subsidiary mentioned above) is well known for their involvement in training the Saudi National Guard; however, Musah and Fayemi (2000, 62) note that they also

³⁷ Center for Public Integrity: Windfalls of war. Available online at <http://projects.publicintegrity.org/wow/bio.aspx?act=pro&ddIC=64>

³⁸ The first PMC was founded by Colonel David Stirling in 1967. Stirling, was also the founder of the British Special Air Service and created Watchguard International to provide security training to Sultans in the Persian Gulf.

³⁹ Avant (2006, 169)

⁴⁰ See Milliard (2003), Schreier and Caparini (2005), Singer (2003)

provided training to the Egyptian military in managing information systems (computerized weapons systems).

One example is a Nigerian contract approved by the State Department for Military Professional Resources Incorporated in 2002. Brooks (2002, 79-80) points out how Military Professional Resources Incorporated helped develop a new civil-military relationship more appropriate to a democracy for the Nigerian Ministry of Defense, which included “reprofessionalizing the armed forces while developing a better conception of the military’s relationship to the civilian government.” As part of this ongoing contract, Military Professional Resources Incorporated operates simulation and combat training centers in conjunction with classroom civil-military training courses (Atul 2003, 72). Military Professional Resources Incorporated’s duties in their contract were beyond simply training soldiers. The company was also tasked with teaching a military how its role is fulfilled in a democratic society. While the idea of classroom education could be construed as a type of consulting, it is not considered so. The purpose of the civil-military training was to train Nigerian soldiers how to act, rather than advise them with strategic choices or options.

A common training method used is known as the “pebble in the pond” approach. PMCs provide a small number of trainers, who over time, target trainees they believe have the potential to assume training positions down the road. The theory is that individuals capable of becoming trainers are produced within the ranks, consequentially growing the human capital needed to continue developing armed forces.⁴¹

⁴¹ Singer (2003, 129)

Advising/consulting

Advisory services are characterized by a focus on strengthening the capabilities for a client's military or civil defense force. Kidwell (2005, 2) notes that consultants provide advisory and analysis services, which may include "organizational restructuring and campaign design." Like training services, consulting providers have a wide range of potential niches to fill. They may interpret intelligence, offer solutions for military reorganization, or assist clients in battlefield and overall war strategy. Each consulting contract is unique because it is designed to solve a situationally unique problem. When discussing advisory services, Singer (2003, 96) points out that "the typical consultant contract specifies a situation facing the client... The firm then analyzes what might be done to solve the predicament" (Singer 2003, 96).

One particular firm fulfilling consultancy oriented services had a major impact in the Balkan Wars at the end of the 20th century. Military Professional Resources Incorporated, working in an advisory capacity, has been given credit for turning the rag-tag Croat militia into "a NATO-style army that carried out the highly successful Operation Storm,"⁴² which ultimately changed the tide in the war with Yugoslavia (Singer 2004, 3). Milliard (2003, 14) agreed: "if credit is due, it is most remarkable because Military Professional Resources Incorporated's fourteen-man training team sent to the Croatian government contract had less than eight months to train the Croat military leadership." One Croatian officer simply stated that Military Professional Resources Incorporated advised them on "tactics and big war operations" (Pearlstein et al. 2001, 7).

MPRI's performance in Croatia revealed some key issues related to consulting services. It showed that private firms could play a decisive role without having to supply an actual military

⁴² See also Bjork and Jones (2005), Milliard (2003), Spicer (1999)

force, but rather by supplying strategic advice. Before Military Professional Resources Incorporated in Croatia, Executive Outcomes was the PMC most often given credit for influencing conflicts in Angola and later in Sierra Leone. In a way, Military Professional Resources Incorporated's success could have strengthened legitimacy of the concept of consulting services. However, a significant problem exists with the knowledge delivered from the private sector. Avant (2006, 222) states that suspicions exist that "persons who had worked for MPRI at one time also did freelance consulting with the Albanian government and may have provided services to portions of the Kosovo resistance."

It is likely that companies seeking more strategic versatility in their operations will primarily operate within the consulting capacity. In fact, Military Professional Resources Incorporated "advertises competency in a wide variety of skills, including civil affairs, counterinsurgency, force integration, foreign affairs, joint operations, *intelligence* (both *strategic* and *tactical*), leader development, reconnaissance, security assistance, special operations, training development, and weapons control" (Milliard 2003, 12-13).

Military provider firms

Military provider firms "are defined by their focus on the tactical environment. Such firms provide services at the forefront of the battlespace, by engaging in actual fighting, either as line units or specialists (for example, combat pilots) and/or direct command and control of field units" (Singer 2003, 92). These services are characterized as combat operations and armed security services. Unfortunately, most research on Singer's "provider firms" is narrowly constructed and dated. U.S.-based firms have carried out missions of the provider classification. For example, a firm called Express Air was employed "to supply pilots to fly Hind attack

helicopters in support of British forces” after the fallout of the United Nations Mission in Sierra Leone (Wither 2005, 118).

Provider firms differ from modern mercenaries because non-PMC employees are “unable to provide anything other than direct combat at the small unit level and some limited military training” (Schreier and Caparini 2005, 17). The difference in stated objectives distinguishes armed security services from combat operations services. Armed security services may involve lethal force; however, it is defensive from the point of service execution. Provider firms stand apart from consulting and support firms in the same way a soldier stands apart from an unarmed general civilian. While both may have a bulletproof vest, only the contractor performing a provider firm contract will have a gun.

Combat operations

Brooks (2002, 81) maintains that combat operation services take place when employees of a firm are “prepared to carry weapons into combat on behalf of their clients.” These services are the most widely recognized within the provider sector. Combat operations consist of services that involve “core military tasks” (Perlo-Freeman and Skons 2008, 7). Although most firms seek distance away from publicity associated with this service, examples “include the involvement of Executive Outcomes in Sierra Leone and, arguably, DynCorp in Colombia and Blackwater in Iraq” (Pattison 2008, 155).

In the mid 1990s, when “stabilization missions required international civilian police DynCorp was able to field such a force” (Avant 2006, 330). Compared to other services, combat operations services are the most “military” type in the industry. They are roughly the equivalent of a full-on operation carried out by a fighting unit. The most likely clients of combat operations providers are governments with weak national militaries. Post-colonial Africa saw this segment

flourish with companies like Saracen, EO, and Sandline. Faite (2004, 166) notes that in the 1990s, both EO and Sandline carried out “active *combat operations*” in multiple countries. The service delivered likely involves the use of lethal force and places the firms employees in circumstances similar (if not identical) to those of soldiers in combat. Projects that involve an assault style force and/or forceful retaking of capital resources can be additionally classified as “combat operations” services.

Wither (2005, 116) states that “it was the successful interventions by the South African PMC Executive Outcomes (EO) in the mid-1990s against rebels in Angola and Sierra Leone that brought the issue of the employment of PMCs in direct combat to the forefront of discussion.” Founded 1989, EO was comprised largely of former SADF and ANC⁴³ military forces who, according to Pech (1999, 81), were both “feared and unwanted by the new political order in South Africa.” They were feared because many of EO’s employees came from elite units such as Thirty-Two Battalion, Keovet, and the Civil Cooperation Bureau (CCB). They were unwanted because many of them had fought under the Apartheid regime, one the ANC leadership in South Africa sought to erase the memory of. EO’s early contracts included specialist training to the South African Special Forces, providing security training for a mining company in Botswana, and counter-narcotics trafficking advice to an unnamed South American government (Nossal 1998, 27-28). The company “commanded over 2000 South African veterans and even had its own air force unit” (Bjork and Jones 2005, 782).

The context in which EO entered Sierra Leone is important in understanding why combat operations services were procured. In 1995, Sierra Leone was considered a failed state, and was

⁴³ African National Congress

considered one of the worst places to live on the planet.⁴⁴ Since the start of a civil war in 1991, the majority of the population lived in a nightmare. On one side was a weak government and an undisciplined military force that possessed little influence outside the capital city of Freetown.⁴⁵ Military life for conscripts consisted of being undersupplied and receiving little training. Consequently, they were ineffective in combat and even attacked the local population (UK Foreign and Commonwealth Office 2002, 12). On the other side was the Revolutionary United Front (RUF). Funded by Charles Taylor in neighboring Liberia, the RUF preferred to battle the government by terrorizing the local population using a variety of brutal tactics. They ranged from mass murder and rape combined with forced amputations for survivors. The RUF also became notorious for their use of child soldiers, many of which were forced to participate in murderous acts against neighbors from the villages they were kidnapped from. With no international intervention coming, it was in May of 1995 that EO was contracted by the government.

Upon their arrival, EO's impact was made immediately. Heibel (2006, 536-537) states that "within nine days, 160 EO personnel had already landed in Sierra Leone (most came directly from their last mission in Angola) and had pushed the rebels back from the capital and into the jungles...And with the help of an additional 200 employees, subsequently invaded the RUF stronghold in the Kangari Hills." EO's use of well trained and experienced fighters "supported by combat helicopters, light artillery, and some armored vehicles"⁴⁶ decimated the RUF in a matter of weeks (Wither 2005, 116). In less than twelve months after EO arrived, "such order had been restored that in March 1996" the government held democratic elections with multiple

⁴⁴ Based on the United Nations Development Program's Human Development report. Statistics available at: <http://hdrstats.undp.org/en/indicators/77.html>

⁴⁵ Soldiers in the Sierra Leone Army were later given the nickname 'Sobel's' because of their conflicting allegiances. During the day, they fought with the government, while at night, they would fight with the RUF.

⁴⁶ In a conversation with one EO member, it was stated that they used 1 Mi24, 2 Mi-8s, 2 BMPs and 82mm mortars.

civilian political parties (Nossal 1998, 28). EO's effectiveness forced the RUF to the negotiating table and led to the signing of the Abidjan Peace Accords. One of Foday Sankoh's conditions when signing the treaty was the expulsion of EO. In spite of warnings that the government would fall in less than 100 days if they left, the government of Sierra Leone expelled EO. Ninety-five days later, the government was overthrown. When the government fell, it was replaced by a joint military and RUF contingent that named Sankoh the country's vice-president.

EO provided multiple services to the government of Sierra Leone. They trained "local self-defense units" known as the Kamajors and the government military forces; however, they become recognized for their combat operations that sent the RUF to the negotiating table (Mandel 2001, 140). Thus far, EO and Sandline are the only two firms to openly provide combat capabilities, but many of the other firms mentioned⁴⁷ could easily develop this capability should they so chose (O'Brien 2000, 7).

Armed security

The list of potential clients for armed security providers is a long one. Like logistics services, armed security is contracted by intergovernmental organizations (IGOs), non-governmental organizations (NGOs), multinational corporations (MNCs) and governments. Armed security is a growing niche market and has been included with the provider sector because the employees may often be the target of ambushes, and subsequently engage in combat.

In the case of Iraq, no clear "front-line" has been defined, and such a line can arise out of nowhere. Wither (2005, 115) provides an example of this type of situation stating that "although none of the PMCs in Iraq was hired to take part in combat operations, contractors

⁴⁷ MPRI, DynCorp, Defence Systems Limited (DSL) mentioned, among others.

providing military security services, such as installation protection and convoy escort, were forced into direct combat with insurgents during the eruption of violence in spring 2004.” Because PMCs operate in a “regulatory vacuum and, although not formally part of the military, can nonetheless kill and injure those whom they consider a threat,” PSCs and armed security contractors are included in the provider category (Bjork and Jones 2005, 781).

Armed security services addressed in this research should not be confused with civilian security services. The armed security services that are the focus of this research are those that have been military security services. In this sense, these armed security services (like all other services in this research) represent the outsourcing of a military function. A distinction that must be made, although the division is not always clear, is that military security services are those where the number of armed personnel is “of such a scale and intensity that the service provided may reasonably be considered as replicating the role of a conventional military force” (Perlo-Freeman and Skons 2008, 7). Rather than force multiplication, armed security providers seek to substitute for the role of a conventional military force.

In the US, outsourcing security services has at times been more the result of political strategy rather than military strategy. In 1998, the US government elected to sub-contract its commitments in the Kosovo monitoring force to DynCorp. The contract was outsourced “because the US government does not believe that it would be proper to send its trained military personnel into harm’s way unarmed, as the monitors are; it also, as is increasingly being seen, ensured that the US government did not have to undergo the political risk associated with sending national armed forces into security situations which are little understood or supported domestically” (O’Brien 2000, 60).

Demand for armed security services is not limited to war zones. According to Faite (2004, 168), armed security services are on the increase in regions where local or state security is deficient. It is in these areas where multinational corporations and NGOs almost inevitably contract security services to protect corporate investments such as buildings, personnel, or areas containing important resources. What should be recognized is that the multinational corporations' presence would not exist without a reasonable level of security, but without investment brought in part by multinational corporations, security cannot be established at all. Ultimately, the conflict between private security companies in countries without adequate security systems exposes "the links between *security* and development, and there is little doubt that insecurity is a key concern for poor people and a significant obstacle to development and prosperity" (Abrahamson and Williams 2006, 2).

Armed security providers sometimes bring a questionable dynamic to the relationship between multinational corporations and governments. In areas where stability is lacking, a multinational corporation may be free to calculate the opportunity costs and elect to hire (or not hire) a PMC offering security services; however, this is not always the case. Some countries require multinational corporations conducting business within their borders to hire their own security firms. A controversial consequence ensues in cases where multinational corporations' contractors engage rebel forces.

In multiple cases, governments and multinational corporations have been accused of collusion, using armed security contractors to fight the government's enemy. This was most evident in Angola's Soyo region in 1993 and Sierra Leone's Kono region throughout their civil war. This is not likely to change. According to Brooks (2000, 130), discovery of new oilfields "in Nigeria, Angola, and Sudan have drawn in new investment, which continues to require adept

security services capable of fending off heavily armed dissidents and guerilla forces.” What role armed security providers will play in the three countries is yet to be determined; however, each government in all three countries is engaged in fighting with one or more rebel movements.

Military provider firms are the teeth of the private military industry. When compared to military consulting firms and military logistics firms, the services offered within the provider category most closely resemble traditional core military functions. Some distinguishing characteristics are that employees will be armed and prepared to kill their enemy if they encounter or engage them. The primary tenet of services in this category is that they have embedded within them lethal use of force.

Conclusion

In summation, PMCs stand to provide many key services that can be construed as military functions. Since the purpose of this research is to describe the services offered, a conceptual framework using three descriptive categories was developed. Furthermore, relevant literature was linked to the descriptive categories using the conceptual framework.

In the next chapter, the methodology of the research is discussed. Strengths and weaknesses of content analysis are analyzed, as well as the issue of reliability. Finally, the operationalization of data is discussed and the coding method is described. On the next page, Table 3.1 shows the literature related to the descriptive categories and connects the literature to the research purpose.

Table 3.1 – Descriptive Categories connected to literature

Descriptive Category	Literature
Military Support Firms	
Logistics	Aning et al. (2008), CBO (2008), Cleaver and May (1995), Heibel (2006), Kidwell (2005), Perlo-Freeman and Skons (2008), Singer (2003), Uesseler (2008)
Technical Support	Avant (2006), Ortiz (2007), Perlo-Freeman and Skons (2008), Singer (2003), Taylor (2004)
Facilities Management	Brooks and Laroia (2005), Perlo-Freeman and Skons (2008), Schreier and Caparini (2005), Singer (2004)
Military Consultancy Firms	
Training	Avant (2006), Atul (2003), Brooks (2002), Musah and Fayemi (2000), Schreier and Caparini (2005), Singer (2004)
Consulting/Advisory	Avant (2006), Kidwell (2005), Milliard (2003) Pearlstein and more (2001), Singer (2003), Singer (2004)
Military Provider Firms	
Combat Operations	Avant (2006), Brooks (2002), Faite (2004), FCO (2002), Mandel (2001), Nossal (1998), O'Brien (2000), Pattison (2008), Pech (1999), Perlo-Freeman and Skons (2008) Schreier and Caparini (2005) Wither (2005)
Armed Security Services	Abrahamson and Williams (2006), Bjork and Jones (2005), Brooks (2000), Faite (2004), O'Brien (2000), Wither (2005)

Chapter 4: Methodology

This chapter discusses the use of content analysis to gather data from websites of private military companies. Content analysis is used because it best fits with the research purpose of examining the services offered within the private military industry. The chapter has four parts. First, content analysis is discussed along with noted strengths and weaknesses. Second, the conceptual framework and operationalization are discussed. Third, the population and process of conducting the content analysis are described. Last, some difficulties of researching PMCs are discussed.

Content analysis⁴⁸

According to Riffe (1998, 20), content analysis is “the systematic and replicable examination of symbols of communication, which have been assigned numeric values according to valid measurement rules, and the analysis of relationships involving those values using statistical methods, in order to describe the communication, draw inferences about its meaning, or infer from the communication to its context, both of production and consumption.”

An alternative, more succinct, definition provided by Babbie and Benaquisto (2009, 295) describes it as “the study of recorded human communications.” Both definitions capture the essence of what makes up content analysis. When used in research, it views objects of communication such as “book, websites, paintings, and laws,” and codes the content with a qualitative or quantitative value for measurement, allowing researchers to make statistical inferences (Babbie 2007, 320). Solis (2000, 31) states that content analysis is the best research method for observation and organization of the results since it is “a good way to analyze different types of communication.” Because websites are a method of human

⁴⁸ For more Texas State Applied Research Projects using content analysis see Bowman (2005), Brady (2010), Eivens (2000), and Hernandez (2007)

communication, content analysis is an effective method when examining the services offered by PMCs. More examples of content analysis used for empirical research may be found in Texas State applied research studies (Kirchhoff 1997, Short 1997, Ari 2007, Goldberg 2009).

Website analysis

For the purposes of this study, the International Peace Operations Association (IPOA) member's website is the primary unit of analysis; however, "web site" is defined broadly to include pages linked within the company site. Any hyperlinks that leave the web site are not considered during data collection. The websites were accessed and coded by examining manifest content. Contrasted against latent content, which seeks to code the underlying meaning of communication, manifest content is the exact wording used⁴⁹.

Keywords were used to determine whether a particular IPOA member organization provided services which fit into the categorical scheme (provider, consultancy, support). Justification for the keywords is provided in the development of each category of the conceptual framework in Chapter 3. As noted in Chapter 3, the keywords are italicized. By searching for keywords within websites, an overall picture of the services offered within the trade association can be captured. The content is coded using keywords and is displayed in Table 4.1. Keywords cue site visitors to identify a given service. Table 4.1 shows each descriptive category with corresponding keywords ascribed to identify the service offered. The coding sheet follows the conceptual framework developed in Chapter 2.

⁴⁹ See Babbie, 2007, 325

Table 4.1 – Content analysis coding sheet⁵⁰

Descriptive Category	Keyword Match		Keywords
	0 - No	1- Yes	
<u>Military Provider Firms</u>			
<u>Combat Operations</u>			“discretionary warfare” “assault operations” “offensive warfare” “assault” “combat operations”
<u>Armed Security Services</u>			“personal security” “armed security” “protection” “convoy escort” “police protection” “security”
<u>Military Consultancy Firms</u>			
<u>Training</u>			“specialized training” “force restructuring” “training” “military transition” “personnel development” “advanced individual training”
<u>Consulting/Advisory</u>			“intelligence support” “consulting” “strategic consulting” “planning” “program implementation”
<u>Military Logistics Firms</u>			
<u>Logistics</u>			“logistic support” “logistics” “supply chain management” “engineering” “construction”
<u>Technical Support</u>			“IT” “technical services” “information security” “online security” “communications”
<u>Facilities Management</u>			“facilities management” “materials disposal” “maintenance” “base operation” “base management”

Population and sample

The population researched is drawn using websites of members to the IPOA. With more than 50 members, the IPOA is the most widely recognized PMC trade organization in the United

⁵⁰ Coding sheet is also operationalization table. For original table, see Appendix H.

States. The IPOA was organized as a non-profit trade association founded in 2001 with a four-part mission. According to their website, the IPOA's mission is to:

- 1) "Promote high operational and ethical standards of firms active in the peace and stability operations industry;
- 2) To engage in a constructive dialogue and advocacy with policy-makers about the growing and positive contribution of these firms to the enhancement of international peace, development and human security;
- 3) To provide unique networking and business development opportunities for its member companies; and
- 4) To inform the concerned public about the activities and role of the industry."⁵¹

As a condition of membership, members agree to adhere to the association's Code of Conduct.⁵² According to the IPOA, their Code of Conduct "represents a constructive effort towards better regulating private sector operations in conflict and post-conflict environments."⁵³

The Code of Conduct was developed by IPOA founder Doug Brooks, after two trips in Sierra Leone in 2000. After observing several companies assisting the UN Mission in Sierra Leone (UNAMSIL), Brooks met with a "group of NGOs, lawyers and humanitarian organizations that codified some basic principles on how the private sector could be ethically utilized and what sort of transparency and accountability should be required of private firms engaged in these sorts of humanitarian operations" (Brooks 2007, 8-9). The result was the IPOA's Code of Conduct.

For this research, there is a benefit of knowing that each company in the sample is one that elects to engage in self-regulation and abide by the IPOA's industry standards. The use of the IPOA is also beneficial because it includes international companies. Although the IPOA

⁵¹ <http://www.ipoaworld.org/eng/aboutipoa.html>

⁵² The IPOA Code of Conduct can be found in Appendix G.

⁵³ See footnote 47

operates out of Washington D.C., membership is not limited to U.S.-based companies. The inclusion of companies such as ArmorGroup (UK) and Vertical de Aviacion (Colombia) ensures that research is not limited to American borders.

There are weaknesses involved with using IPOA membership as the population. First is the size of the IPOA relative to the entire industry. First, the exact number of PMCs is not known, and likely could not be reasonably estimated. Therefore, analyzing 44 websites could be perceived as limited in scope. Second is the fact that membership is voluntary and not permanent. For any number of reasons, a given firm may relinquish membership or be removed from the association by other members. If further research is conducted that expands upon this research, it is possible that the membership, or factors affecting membership, could be entirely different.

Finally, since the IPOA is a trade association, not all members are private military companies. PMCs comprise the bulk of membership; however, firms representing the insurance industry⁵⁴ and legal profession⁵⁵ are also represented. Since none of these firms provide services that are the focus of this research, their results were not included. Additionally, three companies (Dreshak International, J-3 Global Services, and Security Support Solutions) had websites that were either unavailable or under construction when data was gathered. This made it impossible to review their site. A screenshot of their websites at the final time they were accessed can be viewed in Appendix B, C, and D.

After determining which organizations would/could not be incorporated into the study, the remaining organizations provided the research with a sample size of 44 companies. The content analysis was subsequently applied to each company.

⁵⁴ Rutherford and Tangiers International

⁵⁵ Crowell & Moring LLP, Cyrus Strategies LLP, DLA Piper LLP, Holland & Hart LLP, and Shook, Hardy, & Bacon LLP

Coding changes

Prior to conducting the content analysis, two primary changes were made to the keyword searches used. First, the term “operational support” was removed as a keyword indicator for “combat operations” services. The phrase “operational support” was originally used to describe when provider firms offer more specialized services that may be too costly for a client to possess on their own. For example, during the civil war of Sierra Leone, one of the specialized capabilities delivered by Executive Outcomes (EO) was their use of air assaults on the Revolutionary United Front (RUF). This type of operational support existed because the government of Sierra Leone possessed only one helicopter, which did not work. The decision to remove this term was made because operational support could potentially be used as a marketing term to describe any service supporting a mission, included non-provider firm services.

The second change was the addition of the term “communications” to the services of “technical support.” As described in Chapter 2, technical support relates to management of technological services. Communications systems are a major component of IT. Due to the high likelihood that the term would be used to advertise technology-related services, it was added.

Strengths and weaknesses

Content analysis offers three primary benefits to the research. First, it is “a systematic, replicable technique... based on explicit rules of coding” (Stemler 2001, 8). This provides two advantages. For this research, it meant that with clear rules of coding, the research could be replicated with ease. Also, it makes the research transferable. Whereas this research examines the IPOA, another researcher could use the same coding sheet to review a different private military trade association.

Babbie identifies multiple strengths of content analysis. He (2008, 361) notes that content analysis is advantageous in terms of “both time and money,” the “correction of errors,” and the ability to “study processes occurring over time.” In addition, it has “the advantage of all unobtrusive measures, namely, that content analysis seldom has any effect on the subject being studied” (Babbie 2008, 361). Inexpensive research is a major benefit to any college student, but most important for the purpose of researching corporate services, is the benefit of unobtrusiveness. Without content analysis on websites, data would have been dependent on tangible, company-published material.

In most cases, this would have made the research reliant upon every company to deliver information. Problems associated with contacting each PMC and acquiring the correct information would almost assuredly arise. Finally, any research regarding private organizations must take into account factors like proprietary information. Both problems, which would pose major difficulties for research similar to this one, are resolved by using content analysis to examine company websites.

Inter-rater reliability

One of the weaknesses of content analysis for this research is related to inter-rater reliability. Inter-rater reliability is associated with the reliability of the research. Reliability in research has to do with the likelihood that if a duplicate study was conducted, the results would be the same. To address this issue, a second rater is asked to perform a similar analysis on a randomly selected sample of the sites reviewed. The second rater was provided no instruction beyond a reading of the methodology chapter and the operationalization sheet used by the primary researcher.

Inter-rater results

In order to assess the reliability of the research, a second rater was provided a sample of seven websites. The sample was a randomly generated by assigning each of the 44 firms a number, then conducting a random number generation. A list of the firms is given in Appendix F. The top seven firms on the list comprised the sample. Of the seven firms analyzed, none could be classified as meeting only two of the descriptive categories. Four firms offered services from each category and three offered services only found in logistics. The results are shown below in Table 4.2.

Table 4.2 – Inter-rater results

N=7

Descriptive Category	Totals		Difference
	John Gainer	IRR	
<u>Military Provider Firms</u>	John Gainer	IRR	
<u>Combat Operations</u>	0/7	0/7	0%
<u>Armed Security Services</u>	4/7	4/7	0%
<u>Military Consultancy Firms</u>			
<u>Training</u>	4/7	4/7	0%
<u>Consulting/Advisory</u>	4/7	4/7	0%
<u>Military Logistics Firms</u>			
<u>Logistics</u>	6/7	6/7	0%
<u>Technical Support</u>	4/7	4/7	0%
<u>Facilities Management</u>	3/7	4/7	14%

All but one of the coding sheets completed by the second rater proved to be exact matches to the corresponding firm in the primary content analysis. The discrepancy was with

one company, Overseas Lease Group (OLG). OLG collaborates with other companies and offers a package for full-scale base management. Because the service is not specified to be exclusively provided by OLG, the primary researcher did not count the service, whereas the second rater did. This discrepancy was discovered when the results were being input on a master spreadsheet. Additionally, if there was another test for inter-rater reliability, it would be better to increase the size of the sample.

Descriptive categories

Websites are used for several reasons by private corporations. Based on their construction, organizations are equipped to deliver targeted information to different types of visitors. For example, public corporations may offer annual reports and financial statements for visitors seeking investment information, while concurrently providing work policies and job postings for visitors searching for employment information. This research uses content analysis to examine the varying services provided by IPOA members through their websites.

The descriptive categories are classifications of firms and the subcategories are types of services offered by them. For example, if a given firm were exclusively considered a military consultancy firm, this labeling could be attributed to the recognition that the firm offers training services, consulting services, or both. With this research, the firms could be categorized once a coding sheet is filled out. Instead of categorizing each firm, this research uses simple descriptive statistics to quantify how much certain services are offered by IPOA members. The results also show how many member companies offer services from multiple categories. Content analysis fits most accurately with the purposes of this research because it allows the researcher to obtain directly from the PMC's website the services they offer, thereby connecting them to a descriptive category.

PMC research

There are several difficulties to be considered when researching PMCs. First, no exhaustive list or database exists. Schreier and Caparini (2005 19-20) outline contributing problems such as the range of sizes of different PMCs, that some operate as “virtual companies,” and that some are “little more than very small businesses consisting of a few opportunists, existing often only for short periods of time.” As discussed previously, this lack of transparency contributed to the difficulty of finding an acceptable sample and understanding it in the context of an undefined industry size.

Corporatization has contributed in two significant ways to PMC research. First, research on PMCs may be limited because of proprietary rights or security concerns. Second, by forming as corporate structures, PMCs have the ability to change their name or move headquarters. These factors, associated with the “corporatization”⁵⁶ of the industry negatively impact PMC research. Modern PMCs have brought about a paradigm shift by organizing as *legal* business entities. In doing so, PMCs are offered several advantages not offered to public organizations.

The first major difference between researching public organizations and private organizations is that private organizations can legally guard proprietary information. PMCs also operate in an environment of national security. This means that their activities may require a certain level of secrecy. Singer (2004, 17) notes that some “contracts are treated as proprietary and are thus not open to public scrutiny in the way that other public documents are.” Essentially, proprietary and security concerns should be considered prior to selecting a research question.

Shearer (1998, 78) points out that a benefit afforded by corporatization is that PMCs can avoid forms of regulation by incorporating in multiple countries. He states that PMCs are

⁵⁶ See Singer (2003), Perlo-Freeman and Skons (2008), Uessler (2008)

“mostly registered offshore and can easily relocate to other countries, making it difficult to pin them down under specific jurisdictions,” with one emerging trend being to carry out joint ventures with locally based companies, thus “avoiding the effects of the legislation in any one country.” Uessler (2008, 34) points out that “a significant number” of firms have three or more corporate headquarters.

The possibility of relocation has its own consequences for research. A PMC could become almost impossible to gather information on, depending on where they incorporate. One such company is Northbridge Services. They are based in the Dominican Republic and maintain a true veil of secrecy. On their website, they advertise that they specialize in “providing highly confidential and effective security related services.”⁵⁷ In spite of strenuous effort, the most information that could be determined about Northbridge Services was that they were involved in an oil rig hostage relief operation in Nigeria⁵⁸ and that they offered to capture Charles Taylor⁵⁹ for \$2 million after the Liberian president was indicted by an international criminal court. Research on Northbridge Services is limited for multiple reasons; however, their location insulates them from showing up in open sources, more than if they had been located in the U.S. or UK.

Corporatization also makes opportunities available to PMCs if their brand becomes a public relations liability. For PMCs, one of the key factors in their ability to gain contracts, and consequentially, profits, is their reputation. This advantage has not gone unutilized in the industry. Just as retail giant Philip Morris changed its name to Altria to distance itself from tobacco-related PR, Blackwater Worldwide changed its name to Xe in 2009. The timing of

⁵⁷See Northbridge Services website. Available at <http://northbridgeservices.org/services.htm>

⁵⁸ See <http://news.biafranigeriaworld.com/archive/2003/may/03/0128.html>

⁵⁹ <http://news.bbc.co.uk/2/hi/africa/3309203.stm>

Blackwater's name change was shortly after the State Department announced it would not renew a major security contract in Iraq.

Xe is one of a myriad of firms that fall within a complex corporate structure. Using two separate court documents filed in the US District Court for the Eastern District of Virginia, the complexity of what is "Blackwater" can be seen. First, one document of a settlement between individual Iraqis and Erik Prince's companies shows a list of the principal defendants.⁶⁰ The list is as follows: Prince Group LLC, Xe Services LLC, Blackwater Worldwide, Total Intelligence Solutions LLC, U.S. Training Center, Inc. f/k/a Blackwater Lodge and Training Center, Inc., GSD Manufacturing LLC f/k/a Blackwater Target Systems, Blackwater Security Consulting LLC, Raven Development Group LLC, Greystone LTD, Samarus CO LTD, Presidential Airways, Inc., Paravant LLC, Falcon.

A separate civil suit filed in the same court provides some clarification into the corporate structure while listing eleven companies and their addresses. The suit states that Erik Prince "personally and wholly owns holding companies known as The Prince Group and EP Investments LLC. Mr. Prince, through these holding companies, owns and controls the various Xe-Blackwater entities."⁶¹ When listing the companies, the Prince Group, EP Investments LLC, Greystone, Total Intelligence, and the Prince Group LLC are each registered at 1650 Tysons Boulevard, McLean, Virginia 22012. The other companies, Xe, Blackwater Worldwide, Blackwater Lodge and Training Center, Blackwater Target Systems, Blackwater Security

⁶⁰ Available online from a non-profit website known as "Expose the war profiteers": <http://www.expose-the-war-profiteers.org/archive/legal/2009-2/20091106.pdf>

According to their website, it was "created to inform the general public about the activities of the U.S. Department of Defense, the U.S. civilian and military intelligence services, their affiliated private contractors, firms and state allies within the U.S.A. and abroad. The information that is presented here has been almost entirely collected through public sources. It centers on the activities, finances, organization and personnel of the featured organizations."

⁶¹ Available online from Courthouse News Service: <http://www.courthousenews.com/2009/06/03/Blackwater2.pdf>

Consulting, and Raven Development Group are all registered at 850 Puddin Ridge Road in Moyock, North Carolina.

The Blackwater example shows how firms may continue delivering services without ceasing operations even if they lose or cannot gain a license. Essentially, the only circumstance that causes a PMC to no longer provide services is if they do not have sufficient operating capital. One of Greystone's functions has been to serve as "Blackwater International." Registered in Barbados⁶² but managed from Moyock, Greystone offers a lower profile and increased flexibility for Xe. As Nossal (1998, 26) puts it, PMCs in the 1990's are distinguished by the degree to which they have embraced corporatization saying that "they seek to conduct business as would any other corporation."

⁶² Available from Greystone website: <http://www.greystone-ltd.com/locations.html>

Chapter 5: Results

The purpose of this chapter is to present the results of the content analysis which was used to analyze IPOA member websites. The purpose of the research is to determine the services offered within the private military industry by analyzing their websites, specifically the services they provide. In most cases, elaboration of a service is provided after a brief description is taken from an IPOA member's website. The purpose of this is to enhance the clarity of certain services.

Military support firms

Table 5.1 – Support firm results

N=44

Descriptive Category	Totals	
<u>Military Support Firms</u>		
<u>Logistics</u>	22	50%
<u>Technical Support</u>	12	27%
<u>Facilities Management</u>	7	16%

The results for firms providing logistics services showed that half (50%) provide transportation and maneuvering services. As the military has continued to become less vertically integrated, logistics firms fill a necessary gap that the military must have. Support firms perform services like building bases and transporting resources. Since these are some of the oldest functions contracted, firms may perceive this as a long-term, reliable source of income. Overall, logistics services were the third-highest offered service, falling just behind armed security services (by 2%).

Technical support

Technical support was found to be offered by slightly more than one fourth (27%) of IPOA members. Technical support could include the companies that provide telecommunications support or assist in management of unmanned aerial vehicle (UAV) systems. Technical support services are highly specialized. This could explain why the service is not offered by a lot of firms, but is still provided by one in four.

A tangible product in this category is the Codan MRX Headquarters package. Danimex's website states that "the MRX series is a fully ruggedized (MIL-STD-810F) field-deployable Headquarters System supporting an array of voice, data, and interoperability capabilities. The MRX provides an instant communications backbone and hub for use in remote and hostile environments."⁶³ In a unit weighing 40 pounds and roughly the size of a large briefcase, the package provides a number of communication tools such as GPS tracking, telephone support, and even fax and email to soldiers in the field.⁶⁴

Facilities management

Excluding combat operations, services connected to facilities management were the most underrepresented within the IPOA (16%). Due to the scope of a contract for facilities management, firms must possess the resources to construct and operate a full base. Companies like Bechtel, Booz, Allen, & Hamilton, and KBR dominate this market segment, all of which are massive corporations in terms of manpower and financial capital. Within the IPOA, the providers of these services were almost all companies that deal only in logistics-related services. If a firm maintains the resources necessary to provide logistical services and technical support,

⁶³ From Danimex website. Available at <http://www.danimex.com/Default.aspx?ID=3293>

⁶⁴ From Electronic and Communication International website. Available at http://hf-military-tactical-radio.at-communication.com/en/codan/codan_mrz_strategic_hf_radio_system.html

they are already equipped for the first stages of facilities management. As addressed earlier, the military also does not have all of the resources necessary to manage every base, making it a lucrative market.

Military consultancy firms

Table 5.2 – Consultancy firm results

N=44

Descriptive Category	Totals	
<u>Military Consultancy Firms</u>		
<u>Training</u>	27	61%
<u>Consulting/Advisory</u>	13	31%

Military consultancy firms are characterized by two distinct service types. The first, training services, are offered by almost two-thirds (61%) of IPOA members. Training services are the most highly represented of all services in the framework. In the United States alone, there are practically hundreds of competencies in the armed forces that members must be trained for. Regardless of whether a given firm chooses to offer training services in one or ten competencies, even more remain unfulfilled. A look at the training programs offered from MPRI provides some insight. On their website, MPRI lists nine ongoing training programs:

- 1) U.S. Army Central Command, Kuwait and Iraq–U.S. forces tactical training
- 2) U.S. Forces Command–U.S. forces pre-deployment tactical training
- 3) U.S. Army Force Management School–Operations and education
- 4) U.S. Army Strategic Leadership Program–Administration and curriculum development
- 5) U.S. Army Combined Arms Center–Education and subject matter expertise
- 6) U.S. Army Command Sergeants Major Academy–Instruction
- 7) U.S. Army Combined Logistics Captains Career Course–Instruction
- 8) Senior Mentor Training Team–Staff training

9) Laser Marksmanship Training System (LMTS)–Military marksmanship training.⁶⁵

From the list, it is clear that the programs cover a wide range of specialties. In one, MPRI provides “tactical training,” while in another, they provide “education and subject matter expertise.”

Advising services

Advisory and consulting services were shown to be represented by almost one-third (31%) of the firms in the sample. Consulting services require intellectual capital and experience that could be difficult for some companies to acquire. Olive Group’s website outlines three consulting programs. One is advertised as “crisis management strategy and planning.”⁶⁶ The program, which is offered to government and private sector clients, begins with “examining existing strategy and organization, judging its fitness for purpose, and then developing an appropriate structure and process to embed crisis management capability.”⁶⁷ Byproducts include “incident management plans in high value and risk areas” for the client. Olive Group’s product captures the essence of consulting. They assess the current plans and objectives defined by the client and evaluate the effectiveness of their options. The final step is to then implement their crisis management concept to fit within their client’s strategic framework.

Military provider firms

Within the military provider firm category, the outcome yielded very interesting results. Services pertaining to combat operations and discretionary warfare were not advertised by any member firms of the IPOA. P.W. Singer notes that services of this nature “tend to attract the

⁶⁵From MPRI website. Available at http://www.mpri.com/esite/index.php/content/services/us_defense_education_and_training_programs/

⁶⁶From Olive Group website. Available at http://www.olivegroup.com/service_consulting.htm

⁶⁷ From Olive Group website. Available at http://www.olivegroup.com/service_consulting.htm

most negative public attention and are at greater risk of external regulations being implemented that may prove damaging to their business,” and that “most firms within this sector are quick to deny that they offer tactical military services” (Singer 2003, 95). Instead, they often claim to work in a consulting capacity. Based on this, it is reasonable to believe that if a firm provides combat-related services, it is done out of the public eye.

Table 5.3 – Provider firm results

N=44

Descriptive Category	Totals	
	Number ‘Yes’	% Yes
<u>Military Provider Firms</u>		
<u>Combat Operations</u>	0	0
<u>Armed Security Services</u>	23	52%

Armed security

Unlike combat operations, armed security services were found to be offered by more than half (52%) of IPOA members. This service segment represented the second highest of all services, indicating large demand. This can be accounted for by the growing need for greater security in more locations and the number of entities that need protection. Among others, security services are offered for military and humanitarian convoys, VIPs, and government and corporate-owned buildings.

Current events have likely had their own impact on demand for security services. In the era of globalization, whenever a multinational company operates in another nation with poor security, they must ensure that their assets and employees are protected. If they don’t, they risk losing future employees and earnings. The US-led war on terror has also fed the demand for

security services in Iraq and Afghanistan. As the security apparatus in both countries dwindles, armed security services have become more necessary.

Figure 5.2⁶⁸: Civilian contractors from an unknown security firm.



Multiple categories

Table 5.4 shows the percentage of firms that fell into none, one, or multiple descriptive categories. The data was compiled from the coding sheets by examining which services each firm offered. If at least one service in a descriptive category was met, the firm was given a credit.

⁶⁸ Photo available at Foreign Policy.com website: <http://experts.foreignpolicy.com/node/15019>

Table 5.4 – Cross category percentages
N=44

Categories offered	# of firms	% of total
0 out of 3	3	7%
1 out of 3	13	30%
2 out of 3	15	34%
3 out of 3	13	30%
Totals	44	100%

Although the results do not identify the exact combination of categories, Singer's (2003, 92) assertion that PMCs will likely cross multiple categories is supported. First, the results showed that almost two-thirds (64%) of firms provide services in at least two different categories. This statistic indicates that rather than specializing in a single core competency, IPOA members can deliver services across the spectrum identified in the conceptual framework.

Another interesting result was discovered in the firms that could be classified in only one category. Of the thirteen, nine (70%) of the firms were exclusively either logistics or consultancy firms. In each case of the single category logistics firms, at least two of the services were offered, although the combinations varied. This could be because firms that provide logistics-related services are the least likely of all categories to be self-described PMCs. In their eyes, the nature of their services to military clients may not be distinguished from what is offered to non-military clients. For example, they may perceive construction of a military base in Afghanistan the same way as construction of a large-scale housing facility for an NGO in Kenya.

The overall results show that individual PMCs in the IPOA are equipped to deliver services from the handle to the tip of the spear. Within the IPOA, every need but a contract combat force is available for a price. Theoretically, a single firm could be contracted to construct and maintain a base, manage supply chains to and from the base, defend it with armed guards, and train the soldiers that fill the beds.

In the next chapter, some concluding thoughts are offered along with a summary of the research. Additionally, another study is conducted. Strengths and weaknesses of the research are addressed, after which, recommendations for future research are provided. Last, the future of the PMC industry is considered.

Chapter 6: Conclusion

The purpose of this chapter is to address three key features. First, the complete results are presented. Next, strengths and weaknesses of the research are discussed. Following this, recommendations for future research are offered. Finally, closing thoughts and comments on PMCs are provided.

The purpose of this research has been to describe the primary services offered within the private military industry. First, a conceptual framework of descriptive categories was selected to classify companies, using an industry trade association to provide the sample. The research examined members of the International Peace Operations Association (IPOA) using content analysis, eventually determining that training and armed security services were each offered by more than half of the companies analyzed.

Full sample results

Table 6.1 shows the results of the content analysis of 44 PMCs in the IPOA. The content analysis revealed that in each descriptive category, at least one service was provided by more than half of the firms in the IPOA.

Table 6.1 – Complete results

N=44	Totals	
	# Yes	% Yes
<u>Military Support Firms</u>		
<u>Logistics</u>	22	50%
<u>Technical Support</u>	12	27%
<u>Facilities Management</u>	7	16%
<u>Military Consultancy Firms</u>		
<u>Training</u>	27	61%
<u>Consulting/Advisory</u>	13	30%
<u>Military Provider Firms</u>		
<u>Combat Operations</u>	0	0%
<u>Armed Security Services</u>	23	52%

Strengths

Two strengths were evident from the use of content analysis. First, while collecting data, content analysis was used to code the manifest content. The most likely alternative, coding latent content, would have been an arduous process. Content analysis made it possible to use the most accessible form of information from a given PMC (their website) and extrapolate what was needed for the research purpose. Using a keyword search as part of the content analysis provided the researcher with a simple, yet effective means of determining the types of services

offered. More importantly, it allowed the researcher to conduct the analysis without intrusion or considerable loss of resources.

The benefits did not end there. After the results were computed, they provided a bird's-eye view of the services offered within the IPOA. This made it much easier to interpret the overall results and determine which services are most readily available. It gave an instant snapshot of the services identified through the research, and how many IPOA members offered each one.

The results indicate which services are most widely marketed from IPOA member websites, and likely which ones have high demand. If policymakers understand the services most commonly provided, they have a greater opportunity to implement an effective regulatory framework. There are many benefits to understanding what services are in demand at a given time. Among others, trends of service providers could be identified. For example, if in 2015 only 30% of IPOA members offer training services, one can then try to discern what changes have taken place that impacted the shift. Perhaps the armed forces could analyze trends and understand where they have gaps in capabilities, then seek to fill them internally, thus decreasing reliance on PMCs in some service areas.

Weaknesses

Some weaknesses were identified over the course of the applied research project. One relates to the study of PMCs as a whole. In the early stages of the project, formulating a research question that could effectively be studied was very difficult. First, as private organizations, PMCs are allowed to keep proprietary information private from most individuals. Second, PMCs operate within defense circles. Their proximity to national security means that their true actions may be carried out under the guise of something more publicly acceptable. In these cases,

the truth can be difficult (if not impossible) to determine, which invariably affects the ability to interpret legitimate and acceptable actions. Consequentially, this limited the options when selecting a research question; however, once the decision was made to examine the services offered in the industry, this problem was resolved by reviewing websites that are maintained by PMCs.

A second weakness was finding an adequate sample to conduct the content analysis. Although several options were considered, most were not valid for academic research. Compounding this problem, there is no national database or registry that was discovered that provided a comprehensive list of PMCs. The most feasible solution was to identify a trade association and use their member companies as the population to be studied. Using the IPOA was an effective method; however, the sample size was not very large and several companies were removed because they are not PMCs.

Figure 6.1⁶⁹: From left to right - Don Ryder (DynCorp), Kristi Clemens Rogers (Aegis), and Ignacio Balderas (Triple Canopy) testify before the Commission on Wartime Contracting, June 21, 2010. The empty seat was reserved for Jerry Torres, CEO of Torres Advanced Enterprise Solutions, who did not appear at the hearing.



⁶⁹ Commission on Wartime Contracting photo. Accessible at <http://www.wartimecontracting.gov/index.php/hearings/commission/hearing2010-06-21>

Future research

While PMCs remain a hotly debated topic in political circles, research is still lacking in many areas. First, there is little available research that focuses solely on the service element of the industry, which could provide valuable insight to many questions regarding PMCs. Much of the research acknowledges significant services offered, but does so in a smaller context. In many articles, discussions of the services are marginalized to a few paragraphs. The lack of research is not to say it is difficult to find. Rather, much of the research is done by the same individuals who discuss the broad scope of PMCs. This research would not have been made possible without their significant contributions; but to have the most accurate insight, more targeted PMC research is a necessity.

Another recommendation for further research would be to examine the regulatory framework. This could be done from either a national or global perspective; however, anyone who entertains the option should be cautioned. Some laws in countries outside of the United States are intentionally vague. This makes them difficult to decipher without some legal expertise. The recommendation could be stratified into researching a regulatory framework for one of the specific descriptive categories or services discussed in this paper. Regulation in the industry based on a specific service would allow legislation to specifically target problems associated with the service. Overarching legislation of the PMC industry does not serve the intended purpose because of the polarity in the services themselves. Consider, does it make sense for a single piece of legislation, designed to reach the industry, to regulate armed security and logistics providers in the same way? Within this vacuum, the IPOA and other trade associations have sought to engage in forms of self-regulation. The laissez-faire approach should

not remain the status quo. The costs and consequences of lax accountability with the PMC industry are far too great.

Finally, it was evident during the research that intelligence services are a major function contracted out. There was not enough specific information available to justify the inclusion into the conceptual framework; however, when further research is conducted, this function warrants attention. In several cases,⁷⁰ when intelligence services were mentioned, they were done so in the context of what is considered a military support firm. The primary issue related to gathering information regarding intelligence contracting is the lack of concrete information. For example, one news article⁷¹ quotes a CIA official saying that “as a rule, the CIA does not publicly discuss who may or may not have a contractual relationship with the Agency.” Although the CIA is not the only intelligence agency, the nature of intelligence requires that information be kept secret. For protection, among other reasons, this requires that personnel and their activities be shielded from the public eye.

Closing thoughts

PMCs are appearing in every populated region of the world. At the dawn of the 21st century, technological development has created an interconnected world. Communication from any two locations takes place in the blink of an eye. As war has continued, governments have sought to accomplish military superiority for a multitude of reasons. These factors have given rise to a global industry that is largely dependent on conflict, but what does the future hold?

Although the degree of involvement of U.S. military forces in Afghanistan and Iraq will be diminishing in the next few years, this does not mean the future is bleak for PMCs. First, as

⁷⁰ See FCO (2002), Ortiz (2007), and Perlo-Freeman & Skons (2008)

⁷¹ From The American Prospect. Available at: <http://www.prospect.org/cs/articles?articleId=10719>

Afghanistan and Iraq rebuild their military and civilian infrastructures, PMCs will determine areas where their services can be used. Some may include development of a domestic security apparatus, a cohesive and reliable military force, and even construction of roads, bridges, and civilian or military facilities. Outside of Afghanistan and Iraq, even more opportunities are present.

A second client that may help sustain the industry is the UN. Currently, the UN Department of Peacekeeping (UNDPK) lists fifteen ongoing operations. Of the fifteen, five have been ongoing for more than thirty years and eight more have started since 2000.⁷² With the duration and costs of some missions uncertain from the outset, PMCs may be perceived as a low-cost substitute for donor nations. With respect to PMCs, the UN is keeping their options open. The UN List of Vendors is a 194-page document that classifies companies registered with the UN for contracting services by their country of origin. Some of the companies mentioned in this research that appear on the list are Military Professional Resources Inc., DynCorp, Aegis, AECOM, and Olive Group.⁷³ Outside of the UN and governments, there remains another client that PMCs may find seeking their services.

Although private military services have been historically directed at governmental clients, a new trend in support and security services is the growing appeal to humanitarian organizations.⁷⁴ There are multiple concerns to NGOs contracting with PMCs, but this is less of an issue according to Doug Brooks. Compared to other services in the industry, Brooks (2002, 133) claims that logistics services are perceived as “more legitimate vocations,” making them more likely to be contracted by NGOs. As director of the IPOA, Brooks has a vested interest in

⁷² See UNDPK website. Available at <http://www.un.org/en/peacekeeping/list.shtml>

⁷³ See UN Procurement Division List of Registered Vendors. Available at <http://www.un.org/Depts/ptd/register.htm>

⁷⁴ See Brooks (2002), Singer (2004), Singer (2006)

seeing the industry expand; however, he makes a good point. In an era where a lack of respect for neutrality, as seen by the number of attacks on aid workers, is prevalent, “the emerging private military marketplace has stepped forward to offer humanitarian organizations a means to enhance their capacities without turning to traditional state military assistance” (Singer 2006, 108) . The potential to deliver logistics and security services to NGOs could possibly open yet another door to new clients.

As outlined above, the list of clients for PMCs is growing. Contributing to this will be the traditional sources of war. Some examples are described by Spicer (2003, 227) as “politics, land, tribalism, ethnic tensions, ideology, and economics,” any of which could be expected to cause military conflict in the future. These results of these factors, exacerbated by population growth and the impending shortages of resources like clean water, will almost surely involve PMCs. In summation, since war and its byproducts (peacekeeping operations and humanitarian services) will remain constant, so will the presence of PMCs.

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Appendix A

IPOA website listing member companies

IPOA - Mozilla Firefox
File Edit View History Bookmarks Tools Help
http://www.ipoworld.org/eng/ipoamembers.html
Most Visited Getting Started Latest Headlines

IPOA
The Association of the Stability Operations Industry

- Home
- Privacy Statement
- Contact Us
- Information**
 - About IPOA
 - FAQs About IPOA
 - Headquarters Staff
 - Mailing List
 - Job Openings
 - Annual Reports
 - Haiti Relief Effort
- Potential Members**
 - Benefits of Membership
 - Member Testimonials
 - Levels of Membership
 - Application Process
 - Online Application
- Current Members**
 - IPOA Member Companies**
 - MemberMail
- Standards
- Code of Conduct

IPOA Member Companies

- 1 AECOM Technology Corporation
- 2 Agility
- 3 AMECO
- 4 ArmorGroup
- 5 ASPIC
- 6 Aviazapchast
- 7 Baker Tilly
- 8 Burton Rands Associates
- 9 Critical Mission Support Services
- 10 Crowell & Moring LLP
- 11 Cyrus Strategies LLP
- 12 Danimex
- 13 DLA Piper LLP
- 14 Dreshak International North America
- 15 DynCorp International
- 16 Ecolog International
- 17 EOD Technology, Inc.
- 18 Exploration Logistics

Done
IPOA list (version 1).... IPOA - Mozilla Firefox Document4 - Micro... IPOA - Mozilla Firefox 2:34 PM

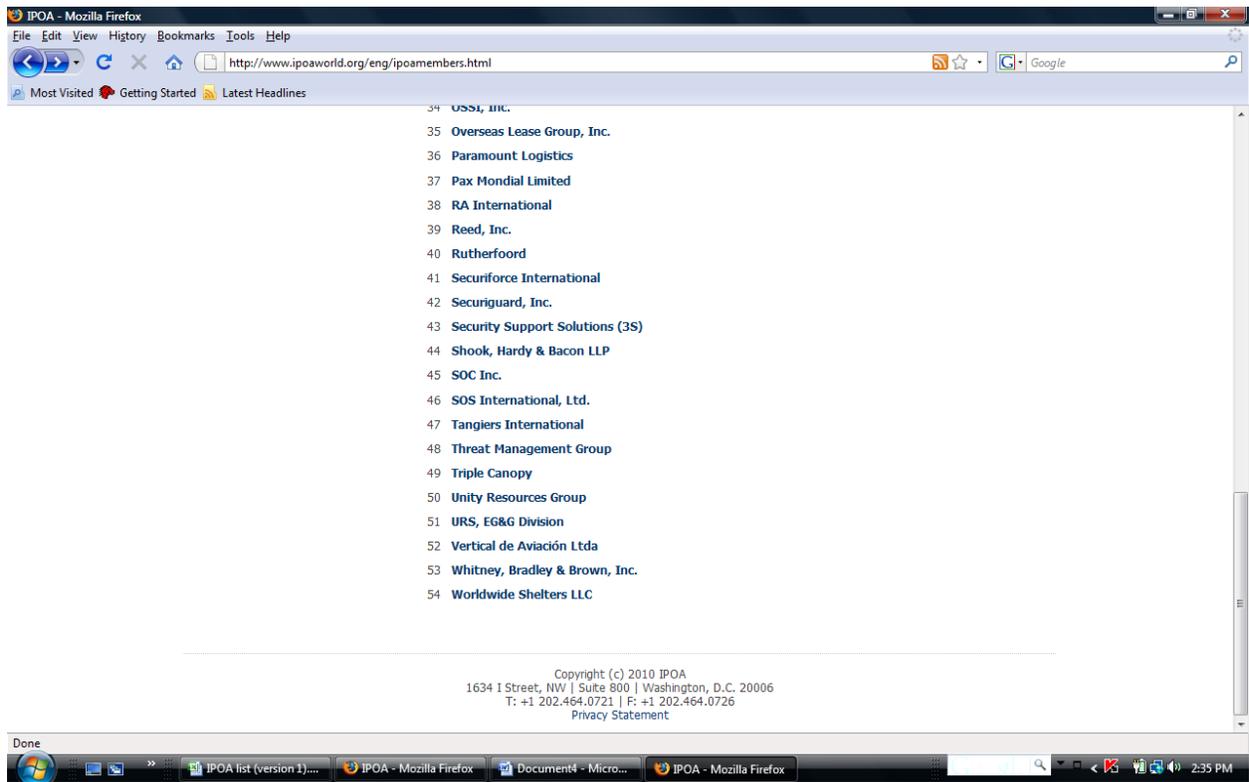
IPOA - Mozilla Firefox
File Edit View History Bookmarks Tools Help
http://www.ipoworld.org/eng/ipoamembers.html
Most Visited Getting Started Latest Headlines

- Code of Conduct
- Standards Compliance
- Submit a Complaint
- History of the Code
- Events**
 - Industry Calendar
 - IPOA EuroConference 2010
 - Aprodex

IPOA Member Companies

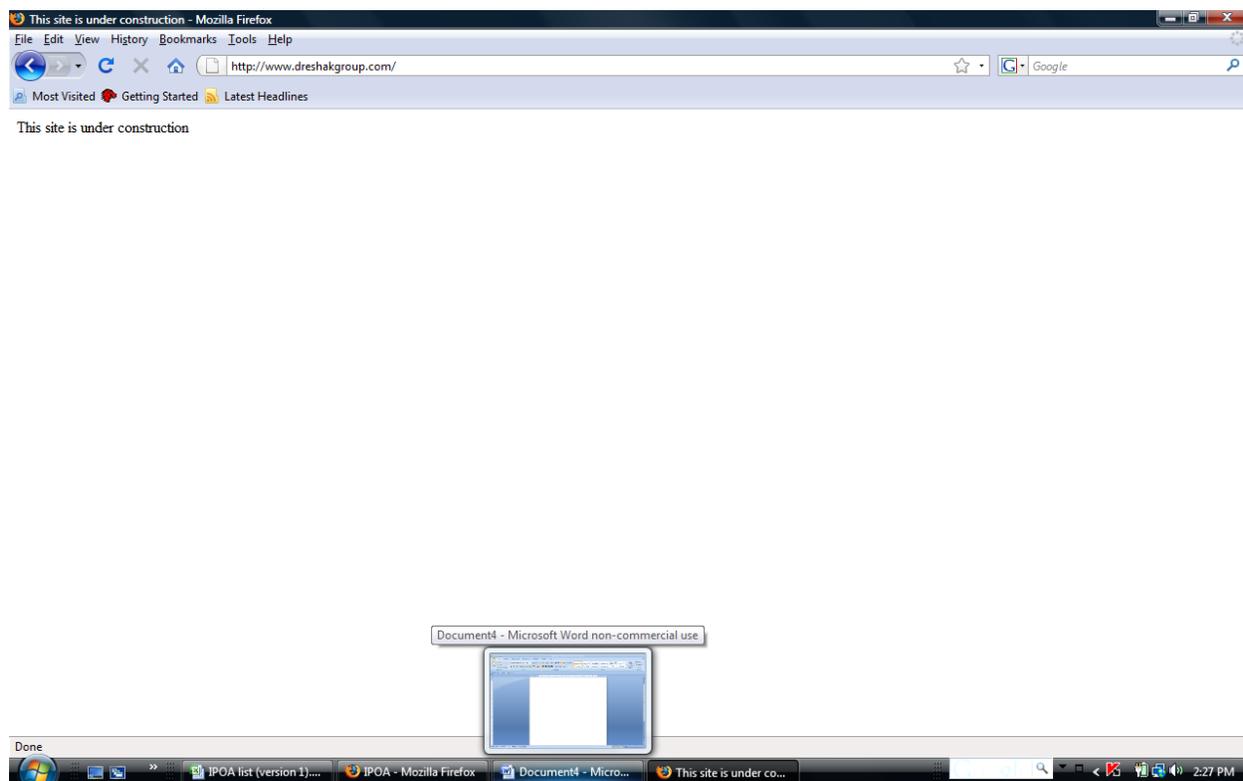
- 19 FSI Worldwide
- 20 GardaWorld
- 21 Global Fleet Sales
- 22 Global Operations Resources Group, Inc.
- 23 Gold Coast Helicopters
- 24 Hart
- 25 Holland & Hart LLP
- 26 International Armored Group
- 27 J-3 Global Services
- 28 Medical Support Solutions
- 29 MineWolf Systems (Associate Member)
- 30 Misson Essential Personnel
- 31 MPRI
- 32 New Century
- 33 Olive Group
- 34 OSSI, Inc.
- 35 Overseas Lease Group, Inc.
- 36 Paramount Logistics
- 37 Pax Mondial Limited
- 38 RA International
- 39 Reed, Inc.
- 40 Rutherford
- 41 Securiforce International
- 42 Securiguard, Inc.
- 43 Security Support Solutions (3S)
- 44 Shook, Hardy & Bacon LLP

Done
IPOA list (version 1).... IPOA - Mozilla Firefox Document4 - Micro... IPOA - Mozilla Firefox 2:35 PM



Appendix B

Dreshak International North America (last attempted access March 21, 2010)



Appendix C

J-3 Global Services (last attempted access March 21, 2010)

Coming Soon... - Mozilla Firefox

File Edit View History Bookmarks Tools Help

http://www.j-3globalservices.com/

Most Visited Getting Started Latest Headlines

IPOA Coming Soon...

J-3globalservices.com

J-3globalservices.com is coming soon to Web.com

web.com

T | Aed | R | Phons

Search Go

Top Searches

- Films Online
- Jms
- Legal Downloads
- J A Henckels
- Discount Fishing Equipment

Online Movie Store

- J Brand
- J Store
- Ied
- Dictionary
- Bored

Aj Madison

- Visual Java
- J.a Henckels Knife
- U Cool J Music
- J Gordon
- Wedding Ceremony Officiant

Related Links

- Traditional Wedding Ceremony**
 - Visual J
 - Unique Novelty Gift
 - A J Wright

Featured Listings

- Marriage Ceremony**
 - Nh Justice Of The Peace
 - Ron Davis
 - Diamonds

Recommended Links

- Get Your Own Website**
 - Do-It-Yourself Websites
 - Professional Web Design Services
 - Website Hosting

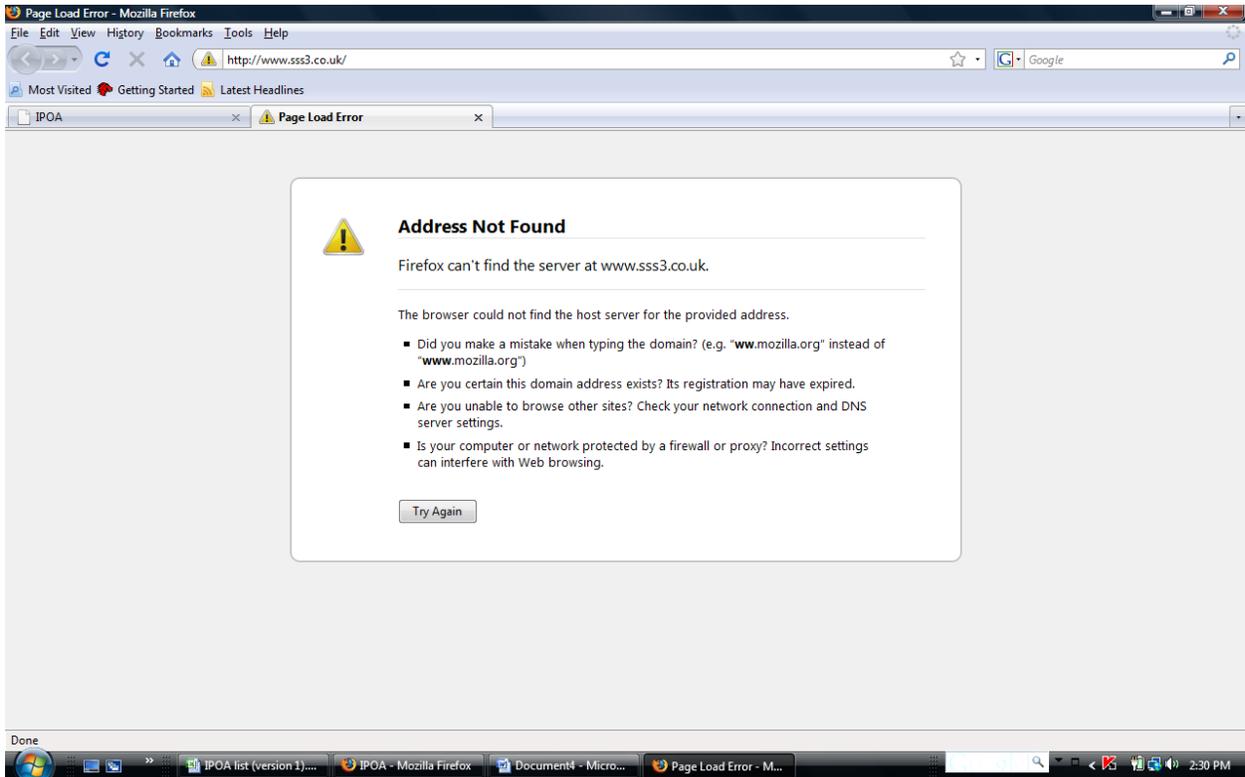
© 2006-2007 by Web.com™, Disclaimer and DMCA Notice

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IPOA list (version 1).... IPOA - Mozilla Firefox Document4 - Micro... Coming Soon... - M... 2:30 PM

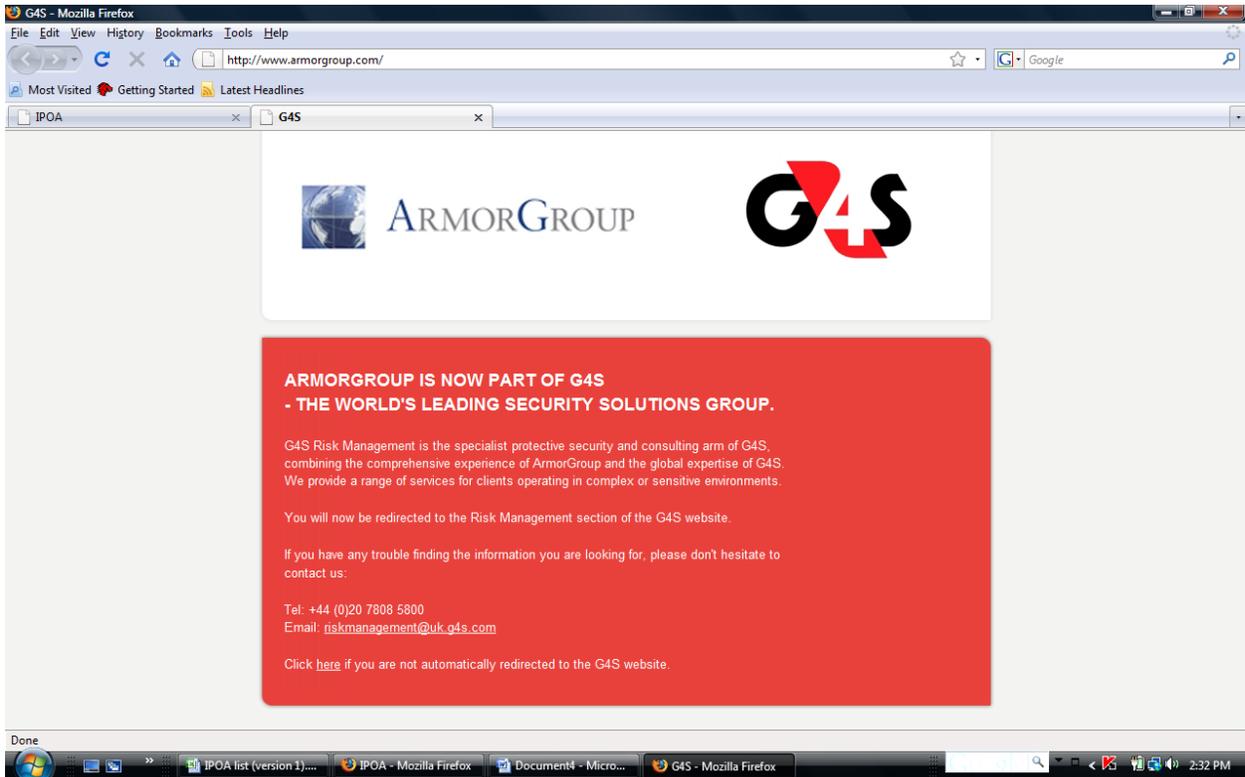
Appendix D

Security Support Solutions (3S) (last attempted access March 21, 2010)



Appendix E

ArmorGroup's website after being acquired by G4S



Appendix F

List of firms used in inter-rater reliability study

- 1) Burton Rands Associates
- 2) Ecolog International
- 3) Military Professional Resources Inc.
- 4) Olive Group
- 5) Overseas Lease Group
- 6) RA International
- 7) Triple Canopy

Appendix G

IPOA Code of Conduct

Available at IPOA website:

<http://www.ipoworld.org/eng/codeofconduct/87-codecodeofconductv12enghtml.html>

Preamble: Purpose

This Code of Conduct seeks to ensure the ethical standards of IPOA member companies operating in conflict and post-conflict environments so that they may contribute their valuable services for the benefit of international peace and human security.

Additionally, Signatories will be guided by all pertinent rules of international humanitarian and human rights laws including as set forth in:

- Universal Declaration of Human Rights (1948)
- Geneva Conventions (1949)
- Convention Against Torture (1975)
- Protocols Additional to the Geneva Conventions (1977)
- Chemical Weapons Convention (1993)
- Voluntary Principles on Security and Human Rights (2000)
- Montreux Document on Private Military and Security Companies (2008)

Signatories are pledged to the following principles in all their operations:

1. Human Rights

1.1. Signatories shall respect the dignity of all human beings and strictly adhere to all applicable international humanitarian and human rights laws.

1.2. Signatories shall take every practicable measure to minimize loss of life and destruction of property.

2. Transparency

2.1. Signatories shall operate with integrity, honesty and fairness.

2.2. Signatories shall, to the extent possible and subject to contractual and legal limitations, be open and forthcoming with relevant authorities on the nature of their operations and any conflicts of interest that might reasonably be perceived as influencing their current or potential ventures.

2.3. Nothing contained in this Code of Conduct shall require Signatories to disclose information in violation of: applicable law; contractually required confidentiality; or any legally recognized privilege. Further, nothing in this Code of Conduct shall require Signatories to violate domestic law.

3. Accountability

3.1. Signatories, understanding the unique nature of the conflict and post-conflict environments in which many of their operations take place, fully recognize the importance of clear and operative lines of accountability to ensure effective peace and stability operations and to the long-term viability of the industry.

3.2. Signatories shall support effective legal accountability to relevant authorities for their actions and the actions of their personnel. Signatories shall proactively address minor infractions, and to the extent possible and subject to contractual and legal limitations, fully cooperate with official investigations into allegations of contractual violations and breaches of international humanitarian and human rights laws.

3.3. Signatories shall take firm and definitive action if their personnel engage in unlawful activities. For serious infractions, such as grave breaches of international humanitarian and human rights laws, Signatories should report such offences to the relevant authorities.

4. Clients

4.1. Signatories shall only work for legitimate, recognized governments, international organizations, non-governmental organizations and lawful private companies.

4.2. Signatories shall refuse to engage any unlawful clients or clients who are actively thwarting international efforts towards peace.

5. Safety

5.1. Signatories, recognizing the often high level of risk inherent to operations in conflict and post-conflict environments, shall strive to operate in a safe, responsible, conscientious and prudent manner and shall make their best efforts to ensure that their personnel adhere to these principles.

6. Personnel

6.1. Signatories shall ensure that their personnel are fully informed regarding the level of risk associated with their employment, as well as the terms, conditions and significance of their contracts.

6.2. Signatories shall ensure that their personnel are medically fit and are appropriately screened for the physical and mental requirements for their duties according to the terms of their contract.

6.3. Signatories shall utilize adequately trained and prepared personnel in all their operations in accordance with clearly defined company standards that are appropriate and specific to their duties undertaken and the environment of operations.

6.4. Signatories shall properly vet, supervise and train personnel. Training shall include instruction on applicable legal framework(s) and ethical conduct.

6.5. Signatories shall conduct all reasonable due diligence in their hiring and subcontracting practices to avoid engaging personnel whose conduct adversely affect their suitability, in particular in regards to violating international humanitarian and human rights laws.

6.6. Signatories shall act responsibly and ethically toward their personnel, including ensuring personnel are treated with respect and dignity, and responding appropriately if allegations of personnel misconduct arise.

6.7. Signatories shall, where appropriate, seek personnel that are broadly representative of the local population.

6.8. Payment of different wages to different nationalities must be based on merit and national economic differential, and cannot be based on racial, gender or ethnic grounds.

6.9. In the hiring of personnel, Signatories shall respect the age-minimum standard of 15 years of age as defined by the International Labor Organization Minimum Age Convention (1973). In the hiring of armed security personnel,

Signatories shall respect the age-minimum standard of 18 years of age as defined by the Optional Protocol to the United Nations Convention on the Rights of the Child on the Involvement of Children in Armed Conflict (1989).

6.10. No personnel will be denied the right to terminate their employment. Furthermore, no Signatory may retain the personal travel documents of their personnel against their will.

6.11. Signatories shall provide their personnel with the appropriate training, equipment and materials necessary to perform their duties.

6.12. Signatories shall not engage or allow their personnel to engage in the act of trafficking in persons. Signatories shall remain vigilant for instances of trafficking in persons and, where discovered, shall report such instances to relevant authorities.

6.13. Personnel shall be expected to conduct themselves humanely with honesty, integrity, objectivity and diligence.

7. Insurance

7.1. Foreign and local personnel shall be provided with health and life insurance policies appropriate to their wage structure and the level of risk of their service as required by law.

8. Control

8.1. Signatories shall endorse the use of detailed contracts specifying the mandate, restrictions, goals, benchmarks, criteria for withdrawal and accountability for the operation.

8.2. Contracts shall not be predicated on an offensive mission unless mandated by a legitimate authority in accordance with international law.

8.3. In all cases- and allowing for safe extraction of personnel and others under the Signatories' protection- Signatories shall speedily and professionally comply with lawful requests from the client, including the withdrawal from an operation if so requested by the client or appropriate governing authorities.

9. Ethics

9.1. Signatories shall go beyond the minimum legal requirements and support additional ethical imperatives that are essential for effective peace and stability operations:

9.2. Rules for the Use of Force

9.2.1. Signatories that could potentially become involved in armed hostilities shall have appropriate Rules for the Use of Force established with their clients before deployment, and shall work with their clients to make any necessary modifications should threat levels or the political situation merit change.

9.2.2. All Rules for the Use of Force shall be in compliance with international humanitarian and human rights laws and emphasize appropriate restraint and caution to minimize casualties and damage, while preserving a person's inherent right of self-defense.

9.3. Support of International Organizations, Non-Governmental Organizations and Civil Society

9.3.1. Signatories recognize that the services relief organizations provide are necessary for ending conflicts and alleviation of associated human suffering.

9.3.2. Signatories shall, to the extent possible and subject to contractual and legal limitations, support the efforts of international organizations, humanitarian and non-governmental organizations and other entities working to minimize human suffering and support reconstructive and reconciliatory goals of peace and stability operations.

9.4. Arms Control

9.4.1. Signatories using weapons shall put the highest emphasis on accounting for and controlling all weapons and ammunition utilized during an operation and for ensuring their legal and proper accounting and disposal at the end of a contract.

9.4.2. Signatories shall refuse to utilize illegal weapons, toxic chemicals or weapons that could create long-term health problems or complicate post-conflict cleanup and will limit themselves to appropriate weapons common to military, security or law enforcement operations.

9.4.3. Signatories shall only obtain weapons through legal channels and shall not engage in illicit arms trading, and shall comply with United Nations arms embargos.

10. Partner Companies and Subcontractors

10.1. Due to the complex nature of the conflict and post-conflict environments, Signatories often employ the services of partner companies and subcontractors to fulfill the duties of their contract.

10.2. Signatories shall select partner companies and subcontractors with the utmost care and due diligence to ensure that they comply with all appropriate ethical standards, including the IPOA Code of Conduct.

10.3. Signatories shall encourage the recognition of and compliance with the standards contained within the IPOA Code of Conduct by partner companies, subcontractors and the industry as a whole.

11. Application and Enforcement

11.1. This Code of Conduct is the official code of IPOA. Signatories shall maintain the standards laid down in the IPOA Code of Conduct.

11.2. The enforcement of the IPOA Code of Conduct is guided by the IPOA Enforcement Mechanism, the complaint system available to the public at-large. Signatories who fail to uphold any provision contained in this Code may be subject to dismissal from IPOA.

11.3. Signatories shall endeavor to inform personnel, clients and subcontractors of the IPOA Code of Conduct and IPOA Enforcement Mechanism. Signatories shall endeavor to publicize both to local communities.

11.4. Signatories shall have an effective mechanism for personnel to internally report suspected breaches of international humanitarian and human rights laws and violations of other applicable laws or the IPOA Code of Conduct. Signatories shall not retaliate against any person who reports in good faith and on reasonable grounds such suspected violations.

Original Version Adopted April 1, 2001

Version 12 Adopted February 11, 2009

Appendix H

Appendix H shows how the data is operationalized and connected to the conceptual framework. Through the IPOA's website, a page containing a list of member companies with links to their company websites can be accessed⁷⁵. The table shows that content analysis is used for each descriptive category, as will the IPOA's homepage.

Descriptive Category	Research method	Evidence	Sources
<u>Military Provider Firms</u>			
<u>Combat Operations</u>	Content analysis	2009 IPOA Annual Report	Company websites
<u>Armed Security Services</u>	Content analysis	2009 IPOA Annual Report	Company websites
<u>Military Consultancy Firms</u>			
<u>Training</u>	Content analysis	2009 IPOA Annual Report	Company websites
<u>Consulting/Advisory</u>	Content analysis	2009 IPOA Annual Report	Company websites
<u>Military Logistics Firms</u>			
<u>Logistics</u>	Content analysis	2009 IPOA Annual Report	Company websites
<u>Technical Support</u>	Content analysis	2009 IPOA Annual Report	Company websites
<u>Facilities Management</u>	Content analysis	2009 IPOA Annual Report	Company websites

⁷⁵ Available at <http://ipoaworld.org/eng/ipoamembers.html>

Appendix I

Geneva Convention

In the Protocol Additional to the Geneva Conventions (GC) of 12 August 1949, and relating to the Protection of Victims of International Armed Conflicts (Protocol I), 8 June 1977 it is stated:

Art 47. Mercenaries

A mercenary is any person who:

- (a) is specially recruited locally or abroad in order to fight in an armed conflict;
- (b) does, in fact, take a direct part in the hostilities;
- (c) is motivated to take part in the hostilities essentially by the desire for private gain and, in fact, is promised, by or on behalf of a Party to the conflict, material compensation substantially in excess of that promised or paid to combatants of similar ranks and functions in the armed forces of that Party;
- (d) is neither a national of a Party to the conflict nor a resident of territory controlled by a Party to the conflict;
- (e) is not a member of the armed forces of a Party to the conflict; and
- (f) has not been sent by a State which is not a Party to the conflict on official duty as a member of its armed forces.

Authors note: To be considered a mercenary, an individual must meet all six criteria. Also, the U.S. is not signed the Protocol Additional

Appendix J

IPOA member information

The following data was compiled using Linkdin.com, the 2009 Fortune 500 list, and the IPOA's website. It is intended to show the size of the company, if it is public or private, whether it is publicly traded, if they made the Fortune 500 list in 2009, and the country where their headquarters are located. In cases where there is no answer, it means that the question in the left column ruled out the need for further questions. When researching the size, some information was unable to determine. This is represented by the UTD acronym.

Company (Name)	Size	Public ?	Publicly traded?	Fortune 500?	Country of HQ
AECOM Technology Corporation	40,000	Yes	Yes	Yes	USA (CA)
Agility	32,000	Yes	Yes	No	Kuwait
Air Charter Service PLC*				No	United Kingdom
AMECO	200-500	Yes	No	-	USA (SC)
American Glass Products*				No	United Arab Emirates
ArmorGroup	9,500	Yes	Yes	No	United Kingdom
ASPIC	UTD	No	-	-	France/Seychelles
Aviazapchast**	UTD	No	-	-	Russian Federation
Baker Tilly	1,375	No	-	-	USA (IL)
Burton Rands Associates	UTD	No	-	-	USA (DC)
Critical Mission Support Services***	UTD	No	-	-	USA (TN)
Crowell & Moring LLP					
Cyrus Strategies LLP	UTD	No	-	-	USA (MD)
Danimex	100	No	-	-	Denmark
DLA Piper LLP	3,500	No			USA (DC)
Dreshak International North America**	5,000	No			United Arab Emirates
DynCorp International	16,800	Yes	Yes	No	USA (VA)
Ecolog International	1,000 +	UTD	-	-	Germany
EOD Technology, Inc.	5,000	No	-	-	USA (TN)
Exploration Logistics	1,200	No	-	-	United Kingdom
FSI Worldwide	900	No	-	-	United Arab Emirates
GardaWorld	2,100	Yes		Yes	USA (DC)
Global Fleet Sales	2,600	No	-	-	Thailand
Global Operations Resources Group, Inc.	UTD	No	-	-	USA (TX)
Gold Coast Helicopters	UTD	No	-	-	USA (AZ)

Hart	51-200	No	-	-	Cyprus
Holland & Hart LLP	950	No	-	-	USA (CO)
International Armored Group	UTD	No	-	-	United Arab Emirates
J-3 Global Services	UTD	No	-	-	USA (OK)
Medical Support Solutions	UTD	No	-	-	United Kingdom
MineWolf Systems (Associate Member)	>10	No	-	-	Switzerland
Misson Essential Personnel	6,000	No	-	-	USA (OH)
MPRI	1,001-5,000	Yes	Yes	Yes	USA (VA)
New Century	UTD	No	-	-	United Kingdom
Olive Group	500	No	-	-	United Arab Emirates
OSSI, Inc.	UTD	No	-	-	USA (FL)
Overseas Lease Group, Inc.	>20	No	-	-	USA (NY)
Paramount Logistics	50	No	-	-	USA (FL)
Pax Mondial Limited	40	No	-	-	USA (VA)
RA International	650	No	-	-	United Arab Emirates
Reed, Inc.	300	No	-	-	USA (VA)
Rutherford	320	Yes	Yes	No	USA (VA)
Securiforce International	UTD	No	-	-	USA (TX)
Securiguard, Inc.	1,200	No	-	-	Canada
Security Support Solutions (3S)	UTD	No	-	-	France
Shook, Hardy & Bacon LLP	1,500	No	-	-	USA (MO)
SOC Inc.	1,001-5000	No	-	-	USA (CA)
SOS International, Ltd.	1,200	No	-	-	USA (VA)
Tangiers International	UTD	No	-	-	Malta
Threat Management Group	UTD	No	-	-	Kuwait
Triple Canopy	4,000	No	-	-	USA (VA)
Unity Resources Group	30	No	-	-	Indonesia
URS, EG&G Division	50,000	Yes	Yes	Yes	USA (CA)
Vertical de Aviación Ltda	UTD	No	-	-	Colombia
Whitney, Bradley & Brown, Inc.	UTD	No	-	-	USA (VA)
Worldwide Shelters LLC	UTD	No	-	-	USA (MD)

*Added after research

**Removed after research

***Name changed after research

Appendix K
Additional Study

After the primary content analysis was finished and the results were reviewed, an additional study was identified. The initial content analysis revealed the percentage of companies that offered each service in the conceptual framework. Because the coding sheets indicated the categories a company provided services for, it was decided to look at the overall breakdown of IPOA members in the sample. The results of the additional study are seen below in Table 6.1.

Table 6.1-Breakdown of International Peace Operations Association members

N= 44	
Descriptive Category	% of firms
None	7%
All three	30%
Provider & Consultancy	20%
Provider & Support	2%
Consultancy & Support	11%
Provider only	2%
Consultancy only	11%
Support only	16%
Total	100% ⁷⁶

Table 6.1 shows that almost one-third (30%) of the IPOA sample could be classified in each descriptive category. The number of firms providing a combination of armed security⁷⁷ with consulting and/or training services was slightly less, at one-fifth (20%). The third most represented category comprised of companies offering exclusively support services at 16%. Firms providing only consultancy-related services were equal to those that offered a combination of consultancy and support services at 11%. The percentage of IPOA members that offered no services in the conceptual framework (7%) exceeded both the percentage of companies ready to deliver only provider services (2%) and those that offered provider and support-related services (2%). Total, there were thirteen firms that offered all three services. The list follows:

⁷⁶ The actual total of 99% is a result of rounding.

⁷⁷ Since no firms in the sample provided combat operations services, any company classified as a provider firm is done so because they provide armed security services.

ArmorGroup, Burton Rands, Critical Mission Support Services, DynCorp, EOD Technology, Inc., Mission Essential Personnel, Military Professional Resources Inc., Olive Group, Paramount Logistics, Pax Mondial Limited, Reed, Inc., SOC Inc., and Triple Canopy.