THE PRIVATIZATION OF WARFARE

Back To The Future

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THE PRIVATIZATION OF WARFARE

Back To The Future

It is a very old practice for rulers to fight some or all their wars by hiring foreigners, military skilled groups and individuals who have no special ideological stake in the conflict at hand. Loosely speaking, these hired soldiers are grouped together as “mercenaries.” At the beginning of the 21st century, when various entities –states, corporations, political movements, etc. – find themselves in need of military or large-scale security services, hiring mercenaries is an obvious recourse. When even major states are reducing their armed forces and showing less interest in foreign military adventures because of pinched economic circumstances or political constraints and a changed geo-political environment, smaller states may be doubly motivated to go the presumably cheaper mercenary route. During the 1990’s a number of corporations termed “private military companies” have sprung up to service this demand. This evolution is likely to continue and even to expand. It will change the character of war.

As states, their military forces and international organizations prove less capable or unwilling to meet the security threats, more and more of the functions now performed by national armed forces will be assumed by private military companies.

The level of privatization of warfare will vary in an inversely proportional way to the interests at stake. Nation-states as well as international organizations will outsource their military activities.

This paper begins by examining the three factors that are leading to the present transformation. After outlining the implications of the privatization of warfare, it explores some concerns associated with their use.
This paper focuses only on private military companies and not on private security companies, which provide merely security and protection arrangements for personnel and property, nor on the possible evolution in the use of the traditional mercenaries. Traditional mercenaries are merely ad hoc groups or individuals who have military skills directly applicable to combat or immediate combat support. Unlike a mercenary, a private military firm advertises its services and is legally registered. Personnel are employed within a defined structure, with established terms and conditions, and work with a degree of organization and accountability to the company. The company, in turn, is answerable to its client, often under a legally binding contract.  

I. Factors Leading to the Transformation

A. The Changing Geostrategic Environment

As war is not waged in a vacuum, we have to start our analysis of its future character by examining the key changes in the geostrategic environment. Although the multipolar security system will endure, the future will be increasingly complex, characterized by shifting power relationships and ad hoc security structures, as opposed to stable alliances. The present war against terrorism shows a good example of this tendency. Current sources of conflict -- ethnic rivalry, nationalism, religious antagonism, and competition for resources, including water -- may well intensify as world population increases. Terrorism will remain a major threat, but transnational crime, cyber warfare, and illicit drug trafficking may also grow, creating security problems markedly different from those of today. The increasing global interconnectedness of

states and economies will allow an uncontrolled expansion of these phenomena all over the world.

The ascendancy of one or more major military competitors, technologically advanced countries, which threaten the interests of the United States and its allies in a specific region, rather than peer competitors with symmetrical capabilities, is possible. A certain number of rogue states may continue to threaten stability in sensitive strategic regions. These two categories of military competitors will probably concede American superiority in certain areas, preferring instead to develop asymmetric strategies and niche capabilities that avoid strengths and exploit weaknesses. They may employ low-tech information warfare, terrorism, missile strikes against the homeland, or covert operations targeted at commercial or financial infrastructures.

This changed security environment has two major consequences. Firstly, such a dynamic geopolitical context is likely to mean that the armed forces will have to execute a wide range of missions almost anywhere in the world. Suppressing and containing conflict will become increasingly critical since economic, humanitarian, and environmental costs will often reach beyond the immediate area of conflict. Particularly, the number of Military Operations Other Than War\(^2\) (MOOTW) will increase in a substantial way. Secondly, and although the role of nation-states will remain important, power will migrate more and more to small, non-state actors who can organize into sprawling networks more rapidly than can traditionally hierarchic nation-state actors.

To counter these changing threats and to cope with the consequences, the US and its allies, but also international organizations such as the UN, will have to rely on lean, nonhierarchical, and cost-effective organizations that are capable of executing quick, agile and flexible field

\(^2\) Definition, see Joint Pub 3-07, p. I-1, 2.
operations. These operations may range from security services, logistical support, humanitarian assistance, nation assistance, counter drug operations, counterinsurgency, and counter terrorism operations to limited combat actions. Further, they may also include military training and assistance, intelligence gathering and threat analysis, and counter cyber warfare operations. Private military companies can meet this demand. Their present capabilities and capacities already cover a large part of these future needs.\(^3\) As a result of the natural economic process of supply and demand, they probably will expand their range of operations. At the same time, the armed forces of the nation-states will focus primarily on the traditional state-on-state wars again, in the most cases likely to be fought with coalitions.

B. Political, Financial and Institutional Constraints

Political, financial and institutional constraints are the second reason for this change in the character of warfare. Since the end of the Cold War many Western governments have been increasingly reluctant to commit their national troops to coalition warfare, peacekeeping and low-intensity conflict missions unless key interests are at stake, because of the political storm that might erupt back home if there were casualties. This trend became most evident after the ill-fated intervention in Somalia in 1993. For the risk-averse, like most of the Western countries,

\(^3\) About the present capabilities of private military companies, see, for example,


employing private contractors can help to overcome the political reluctance to become involved in situations where risks are high and there is little domestic constituency for the involvement of their own troops.

Often nations, the UN or other multinational organizations simply do not have the **capacity** or the necessary **funds** to intervene in many of the conflict zones around the world. Private military organizations are an attractive alternative to overcome these problems. They can offer a more cost-effective way of providing the same number of personnel because of their lean organizational structure and their limited overhead costs compared to state’s armed forces. In addition, calling upon private companies as and when they are needed could be far less costly than maintaining a permanently fixed stand-by force.

Another problem, particularly in case of an intervention within the framework of a coalition of a multinational organization, is the **inability to act quickly** when crises arise and to deploy troops fast. Because the decision-making process requires consensus, the response time is often very slow even when there is sufficient warning of looming crisis. As non-coalition warfare and unilateral actions are becoming very unlikely, private military companies might offer, in this context, a good alternative as a rapid reaction force to be deployed prior to the arrival of the multinational forces.

C. The “Transformation Paradox”

Finally, another phenomenon will make the privatization of warfare, and more generally of security, more likely. I call it the “transformation paradox.” If the revolution in military affairs continues along its current trajectory and military forces become smaller, more technology-reliant, and less dependent on individuals with high levels of physical fitness and the ability to face physical danger, private militaries will become even more competitive with state ones. If a
warrior fights from a computer terminal using computer viruses and the like, states will contract out national security rather than undertake the expense of forming and sustaining armed forces. A parallel trend is underway in the world of intelligence. In the US and Western Europe, private intelligence companies are proliferating. The massive expansion of information and the growth of the Internet are making open-source intelligence of all kinds nearly as good for most purposes as traditional intelligence. National armed forces might thus, ironically, make themselves more redundant by enhancing their capabilities.

II. Implications

The privatization of war will produce important consequences in a broad range of fields. First, this privatization will allow a closer linkage and greater **proportionality between objectives and means** and will in this way limit the probability of an escalation. Private military organizations are more agile and adaptable and can respond with shorter time constraints to changes in the environment. Moreover, as they are likely to be perceived as less threatening than contingents of national armed forces, their use in low-intensity conflicts will become, in many cases, more appropriate than the latter ones. In this sense, the privatization of warfare will allow a better application of Clausewitz’ principle of proportionality: “to discover how much of our resources must be mobilized for war, we must first examine our own political aim and that of the enemy.”

The complexity of the future conflict map and the multiple future threats make it necessary to maintain a range of capabilities to address challenges by potential and as yet unidentified

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peers at the highest end of the warfare spectrum, while staying prepared for conflicts with less technically capable opponents. The US and its allies must also maintain the mid-term capabilities needed to defeat regional hegemons decisively, including ones that may possess nuclear capabilities. In view of the expected budgetary constraints for defense expenditures in most Western countries, these requirements become more and more difficult to meet. Privatization offers a solution for this dilemma. It can create the conditions for a review of force structures of national armed forces to focus on the required capabilities for large-scale conflicts, while the capacities for non-mechanized, low-intensity, or localized conflicts can be reduced in a substantial way by outsourcing these kind of missions to private military organizations.

The increased ability to react in a proportional way, together with the reorganization of national armed forces, leads to a third consequence of the privatization, i.e. the dichotomy of future warfare. On the one hand we will have wars with limited or unlimited aims, waged by nation-states, most likely within the framework of a coalition. These kinds of war will be fought when nations’ vital or important interests are at stake and/or when the imminence and scope of the threat will require it. On the other hand, we will be confronted with conflicts that will be privatized. They will mainly include the MOOTW. The privatization can be unilateral or multilateral (two or more of the involved parties) and can at the same time be total or partial. In this last case, national armed forces will work together with private military contractors in a “combined” way.

Fourth, the privatization of warfare will further weaken the link between the armed forces and the society, a process that started with the abolition of the mandatory conscription in most Western countries. A real dilemma for traditional civil-military relations always has been finding a way to cultivate and sustain a body of people with the ability to do things considered
abnormal by civilians – to transcend physical discomfort, master fear, and kill and coerce enemies – without undercutting the day-to-day comity that undergirds society. Stable civil-military relations have kept warfighters separate from the rest of society without allowing them to become so isolated that they might turn against society. Although this risk is rather limited in a Western democracy, the privatization of warfare is likely to widen the gap between soldiers and civilians and to degrade further the link with society. Since private military companies generate military power that does not reside in the nation-state, the balance in Clausewitz’ trinity between the people and passion, the commander, his army, and creativity, and the government and rationality will be disrupted.

Finally, the privatization will lead to a “commercialization” of warfare. Warfare will mean “business,” with all its implications. Military companies are motivated first and foremost by profit and are responsible primarily to their shareholders. Consequently, financial losses, in spite of strategic or political considerations, may prompt a company to pull out and compromise the aim of the operation. This dilemma brings us to some other concerns that are explained in the next section.

III. Concerns

The main concerns with regard to the use of private military companies are of an ethical and political nature. Because their personnel are involved in foreign conflicts for essentially financial gain, they may be considered mercenaries in the traditional sense of the word. This limitation might seriously hamper the willingness of democracies to hire their services. Although private military organizations might appear not to possess many of the political constraints of traditional peacekeeping forces, their use in peacekeeping missions must be submitted to the
prior authorization of the UN Security Council or any other governmental body. Using these organizations does not obviate this requirement nor overcome many of the political difficulties faced by the Security Council. Even if it became feasible to use private military companies in a given instance, they might be faced with another obstacle, as national contingents might simply be unwilling to work alongside private companies or cede operational control to them.

This problem is closely linked with the issue of accountability. How can they, for example, be made responsible for any non-adherence to human-rights conventions? Governments are accountable to their people and their legislatures. Private corporations, on the other hand, have little accountability to the public and are to some degree shielded from the scrutiny of the government. It is clear that in the absence of proper provisions for accountability there are potential dangers with their use. Consequently, the involvement of private military organizations in peacekeeping missions and in coalition warfare is to be rather unlikely in the short term.

A possible solution to enhance international acceptance, and particularly the accountability of private military companies and thus to overcome the political concerns, is the creation of an international regulatory body to register and monitor their activities. Such a mechanism would certainly help improve the needed transparency in the international market for private military organizations by assisting in the development of internationally agreed standards for companies to meet.

The absence of a coherent legal framework for private military contractors poses another concern. There has been little success in creating international legislation. It is instructive to note that an International Convention Against Recruitment, Use, Financing, and Treating of
Mercenaries, adopted by the UN General Assembly in 1989, has yet to be fully ratified. Part of the problem in obtaining anti-mercenary laws and treaties is that no major power has taken serious interest in promoting them. However, it is my belief that the legal issue will become part of a self-regulatory process. When the private military organizations will be considered as an important tool in the realm of national and international security, the international community will certainly find it in its interest to construct an adequate legal framework.

Practitioners and academics that specialize in conflict resolution typically argue that private military companies hinder efforts to end wars and broker peace. Yet, the evidence suggests that coercion is often essential to breaking deadlocks and bringing opposing parties to the negotiating table, as shown in the past decade in the Balkans. Some private military organizations possess sufficient coercive capability to break a stalemate in a conflict. Unlike multinational forces, they do not act impartially but are hired to win a conflict (or deter it) on the client’s terms. For example, the Executive Outcomes’, a private military company with roots in South Africa, direct involvement in combat actions in the Angola civil war has been essential in bringing the parties to sign the 1994 Lusaka peace accord.

IV. Conclusion

The changing and increasing threats in the future security environment as well as political, financial as institutional constraints will change the character of war. Private military companies will assume more and more of the functions now performed by national armed forces. Such firms will be valued for the economic, operational, and political advantages they possess over traditional military forces. They will serve under competitive contracts, their members free

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5 David Shearer, Ibid, pp. 16-20.
of strict rules of engagement that could inhibit their operational effectiveness and there will be little public outcry when some of their employees inevitably became casualties. In particular MOOTW are likely to become outsourced to private contractors. National armed forces will be committed mainly to conflicts between nation-states where key national interests are at stake.

The use of paid forces has been a normal practice in ancient Greek and Roman society and throughout the Middle Ages in Europe until the rise of nationalism in the early nineteenth century and the introduction of the conscription armies. In this way, this transformation can be defined as a “back to the future.”