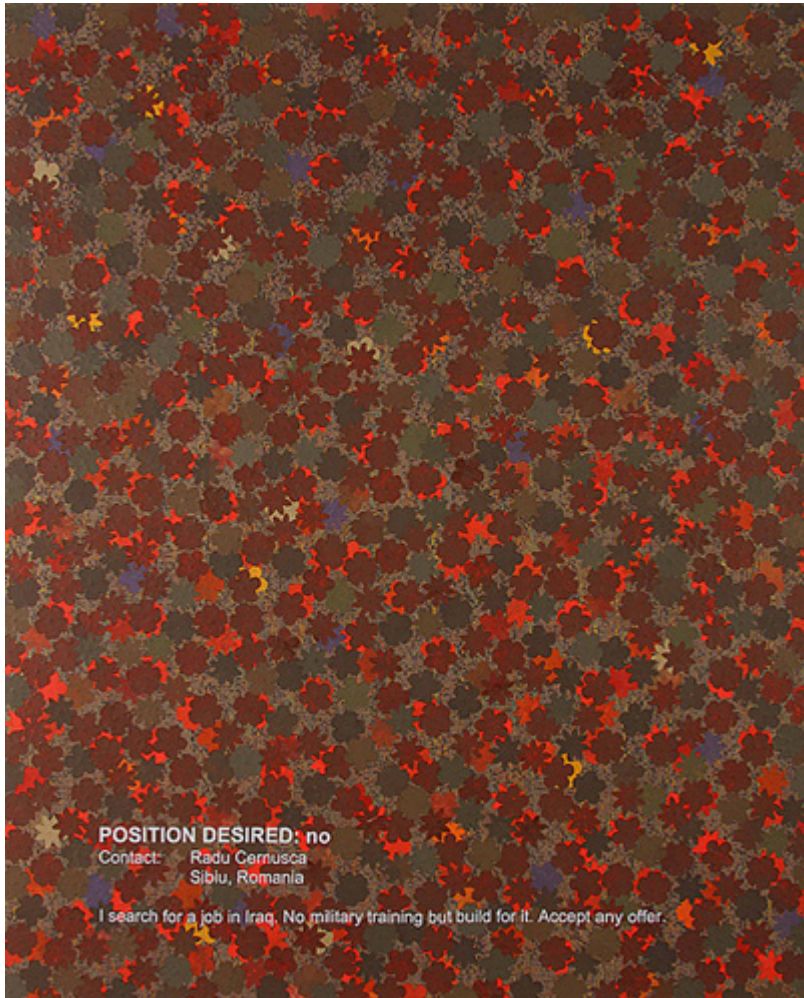


Private Military Companies von Walter Manoschek

Unnoticed by the public for a long time, a new sector of the economy appeared in the last decade, whose prosperity has been growing each year since. Private Military Companies (PMCs) are a business section, which conquered a permanent status within military clashes worldwide. Presently, there are about 90 of these firms, mostly from British and US-American origin, operating in 110 countries. Approximately fifty percent of all defence relevant jobs are already done by private firms. Their offer is broad, from military training, personal and property protection, logistics and sale of security products, up to supply with staff and arms for combat actions. The PMCs estimated yearly return is more than 100 billion Dollars, a balance which leads to a permanently rising price of these companies' shares.



What are the reasons for this boom?

An important cause is the change of the appearance of war. The "classic" type of war between states lost importance after the end of the cold war. Nowadays, there are mostly not two states and their military forces facing each other. The military east-west-confrontation is history, as well as the proxy wars which were fought out in the age of the two superpowers. They are more and more replaced by so called "military interventions", carried out by multinational troops on behalf of supranational organisations like for example the UN, or ad-hoc-alliances under the command of the US as the "coalition of the willing" in the war against Iraq. Besides that, there are a hardly quantifiable number of civil wars and internal military conflicts between warlords and guerillas whose aim is no longer to take over power in the state as such but to control certain of its territories and to exploit natural resources within countries. These "new wars" (Herfried Münkler) have in common, that the state monopoly on military actions has become obsolete. Parallel to the increasing denationalization of wars, in the stage of neo liberal globalisation, a gradual privatisation of all profitable goods and services takes place. The combination of both developments creates gaps in the market of military affairs, which are, in different ways, filled up by the PMCs. The private military firms have attractive offers especially for three scenarios of military conflicts:

In the so called "failed states", where there is no or just a very weak central power, the PMCs provide arms supply and the protection of lucrative natural resources. This concerns mainly areas where interventions of multinational, peace enforcing troops in case of internal conflicts would be considered too risky, chanceless or too expensive. There, the state's authority is replaced by numerous militias which are fighting each other and have no interest in peace as they regard war as a stable source of income and therefore don't want to end it and directly benefit from its extension. States like the Democratic Republic of Kongo, Angola or Sierra Leone together with several other countries represent this type of "failed states". In Sierra Leone, where until 2002 a cruel war was raging, the peace-troops from Nigeria, vested with a mandate of the UN, sold their weapons within very short time to the different war fractions. As a UN-trade embargo for all types of military material existed, the war fractions made use of the services of the private British military company Sandline International, which additionally took care of the protection of the diamond mines and was paid with mining rights. However, in these countries PMCs create benefits from the decline of the state and at the same time even enforce the existing structural instability.

An other sphere of activity for PMCs are countries of direct political interest for the PMCs states of origin, which are – for diplomatic reasons or because of the international law - not willing to overtake responsibility for military interventions themselves. In these cases, the official distance between the concerned state of origin and "its" PMC is the base for the privatization of military activities. A classic example would be the US-"drug war" against Columbia. Commissioned by the US, pilots of the firm DynCorp devastate Columbian coca-plantations and prosecute supposed drug smugglers. During the Balkan-War, the US solved a support-problem with Croatia by engaging the American company Military Professional Resources Inc. (MPRI). Because a UN-embargo prohibited all types of military support for the involved countries, the Pentagon suggested Croatia to instruct MPRI to train the Croatian army. With success: One year later, Croatia started a quiet effective offensive against the Serbs, marking the beginning of the wars end. In such cases, private companies avail tasks, which were originally taken over by the CIA or Special Forces of the army. The advantage of this system is on the one hand the possibility of outsourcing certain operations, which are from a military point of view delicate, and on the other hand to avoid political squabblings, eventually also related to the objection of breaking international law. The PMCs act here as privately organised extended arms of their home countries.

The largest sphere of activity of private military firms is presently their engagement as junior partners of the USA in Afghanistan and Iraq. Only in Iraq are 10.000 "private soldiers" stationed. They represent after the US-army (150.000 soldiers) the biggest troop-contingent, even larger than the British who have 9.000 soldiers there. The PMCs stand under the American military high command, their assignment encloses personal and property protection, training of the Iraqi police and army as well as operation of highly polished weapon systems in combat. They cause a considerable part of the Pentagon's total expenditure: According to internal estimations by the US-military, approximately a third of the granted 87-billion-budget for Iraq and Afghanistan in 2003 was spent on contracts with PMCs. The question is, why. Private military companies offer the USA some advantages. For example, they do not have to face the same measures of control like the official army and do not have to obey international law. If employees of private firms are killed or wounded, they do not show up in any official casualty-statistic. A well known case was the homicide and mutilation of four employees of the company Blackwater in Falluja, spring 2004, which was broadly accepted by the media.

These are good reasons for the commission of PMCs. But these are no main reasons. The boom of the PMCs has its origin in the general outsourcing of affairs which have up to now been duty of the state, according to the principle of nationalization of the costs and privatisations of the profits. Not only prisons are run by private companies, also military tasks are outsourced – and the state has to rent it back for enormous costs. Since 1994, the US Ministry For Defence signed more than 3.000 contracts with a total equivalent of 300 billion Dollars with PMCs. One of them is Kellogg, Brown and Root, a subsidiary company of Halliburton in which US Vice President Dick Cheney held the position of the board's chairman. From the enterprises point of view, one can hardly wish for a better lobbyist. Through the PMCs, private economy found its way even in an area, which was regarded as a total domain of the state: The military.