

Private Security and USAID: Changing Development Realities in Unstable Environments

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ABSTRACT

This paper focuses on the lesser-known and expanding role of private security companies (PSCs) in supporting development programs. If the U.S. government continues to view development assistance programs as a key aspect of its national security strategy in unstable environments, then it will be increasingly reliant on PSCs to support, and under certain circumstances, implement and manage development assistance programs. The key questions considered include why PSCs are involved in development assistance and whether their involvement helps or hinders development assistance efforts in unstable environments. The risks and opportunities of using PSCs, and recent events leading to their increased involvement in development, are examined; policy implications are also discussed. Through qualitative interviews and a review of the academic literature, this paper argues that PSCs can play a constructive role in development assistance through a clearer public policy framework and the fostering of greater understanding between the security and development communities.

INTRODUCTION

Recent discussions of private security companies (PSCs) have focused on their support of the U.S. military or U.S. Department of State in countries such as Iraq and Afghanistan. In this "military support" role, they provide highly visible static and mobile security for high-value targets such as military bases and U.S. Embassy compounds and personnel. This paper focuses on the lesser known role of PSCs in supporting development programs. The services are similar across the two markets, but PSCs in development are expected to operate more discreetly than their military-support counterparts, and interact more with local communities.

One example of the latter use occurred in Afghanistan. The invasion of Afghanistan in 2001 and the successful removal of the Taliban left a power vacuum in Afghanistan's politics. In 2003, as part of the U.S. government's strategy to build a stable and democratic Afghanistan, the United States Agency for International Development (USAID), in partnership with the United Nations Office for Project Services (UNOPS), initiated and directed a democratization process. This process included assembling tribal leaders across the country into a constitutional drafting committee called the Constitutional Loya Jirga, and providing technical support and management of the first democratic election for a head of state in the country's history.

When USAID embarked on the Afghanistan democratization initiative, it did not anticipate involving private security. It expected that Afghans would universally welcome the elections and that, by the time the process was underway, the Taliban insurgency would be eradicated, thus removing the need for extensive security support. These assumptions were incorrect. USAID and its development partners did not have experience operating in unstable environments. Afghanistan's interim government, still nascent at this point in the country's reconstruction, was mistrusted by some tribal elements, and was deemed inadequate to the task of managing a complex, nationwide election. In addition, it was believed that the involvement of coalition forces in the voting process would compromise the legitimacy of the elections.

USAID and the UN decided that the only viable way to achieve a safe, countrywide election was to turn to the private security industry. A private security company (PSC) was selected to protect the constitutional drafting committee, and assist in managing the voting process. Working closely with a non-governmental organization (NGO) under the joint USAID/United Nations Voter Registration and Election Process (VREP) and Constitutional Loya Jirga programs, a PSC planned and implemented a voting program across all 34 provinces in Afghanistan. The result was the nation's first democratic election, with more than 12 million votes cast and no serious security incidents.¹

This case illustrates the challenges USAID faces in unstable environments, as well as the expanding role of PSCs in development programs and in the U.S. government's broader reconstruction and national security initiatives. However, recent studies and high-profile incidents raise important questions about why PSCs are involved in development, whether they should be, and how their involvement affects local perceptions of development assistance initiatives.

Although there has been extensive debate and concern about PSCs in a military support role,² few studies have looked at PSC support of development assistance programs. This study is the first of its kind to explore the changing realities of development assistance in unstable environments, and the implications for USAID and its development partners, the

¹ . . . http://www.asiafoundation.org/pdf/Afghan_globalfactsheet.pdf. The Asia Foundation was the prime contractor on the VREP program. In this briefing paper located on their website, they describe the accomplishments of the VREP program. Of the twelve million votes cast, five million of them were from women.

² . . . P.W. Singer, "Can't Win With 'Em, Can't Go to War Without 'Em: Private Military Contractors and Counterinsurgency," Policy Paper No. 4 (Brookings Institute, September 2007); Deborah D. Avant, *The Market for Force: The Consequences of Privatizing Security* (Cambridge University Press, 2005); Robert MacGinty, "The Pre-War Reconstruction of Post-War Iraq," *Third World Quarterly* 24, no. 4 (August 2003): 601-17.

private security industry, and local communities. The key question considered is whether involving PSCs helps or hinders development assistance efforts in unstable environments.

HYPOTHESIS

If the U.S. government continues to view development assistance programs as a key aspect of its national security strategy in unstable environments, then it will be increasingly reliant on private security companies to support, and under certain circumstances, implement and manage development assistance programs.

This paper traces recent events that have led to the increased involvement of PSCs in development assistance programs and the perceptions of PSCs among the development community and local communities. The risks and opportunities of using PSCs in unstable environments are examined and policy implications are discussed. This paper makes the argument that, with a clear public policy framework, and the fostering of greater understanding between the security and development sectors, PSCs can play a constructive role in development assistance in unstable environments.

This study's contribution to the academic literature on public policy and international security studies is to document the rise of, and implications inherent in, private security involvement in the development sector. Additionally, it is hoped that this study will enhance the general understanding of the new development assistance environment, and to advance policies designed to improve the efficacy of development programs in unstable environments.

RESEARCH METHODS

The research methods employed in this study are meant to describe the new development paradigm in unstable environments using semi-structured qualitative interviews and a review of the academic literature on PSCs, USAID, and development assistance programs. Interviewees were chosen on the basis of their experience in four areas germane to this study: (1) PSCs, (2) for-profit development firms specializing in implementing USAID development programs, (3) the NGO community, and (4) individuals with upper management experience working for USAID. By incorporating the experiences of interviewees across the community of development stakeholders, this study provides a broader context in which to understand the changing development environment and the relationship between PSCs and development entities in development program implementation. Secondary data, including academic articles, books and general news sources on PSCs, and development programs also are analyzed.

DEFINITIONS

Before discussing the role of private security companies in development assistance programs, it is necessary to define specific terms as they are used in this study. As there is no single agreed-upon definition of private security, current definitions vary as to the range of services

PSCs provide and whether firms are involved in offensive or defensive operations.³ In this study, a PSC is any firm that provides armed and unarmed security and a host of security support services, such as risk assessments, program management, training, transportation, logistics, and surveillance. PSCs' use of force is strictly defensive. This limitation separates them from private military forces or mercenary firms (these terms are largely interchangeable), which are deployed offensively.⁴

Carin Norberg defines “development assistance” as any type of aid that “improves the general economic, political and social climate in partner countries, by supporting measures to improve the legitimacy and effectiveness of the state, as well as the emergence of a strong civil society.”⁵ This may include stabilization and reconstruction, humanitarian aid, institution-building, education, private sector development, democracy promotion, critical infrastructure development, and a host of other initiatives.⁶ For the purpose of this study, the development assistance environment can be subdivided into safe and unstable operating environments. This study focuses on unstable environments.

An “unstable state” or “unstable environment” is one in which internal political and religious conflict usually boils over into violent clashes. Governments in unstable states usually have great difficulty maintaining the rule of law. Institutions are weak and national identity often is fragmented between major groups. The terms “unstable environment” or “unstable state” are similar to the term “weak or failed states,”⁷ which is used by the U.S government, and the U.S. military’s term “degraded environment.”

PRIVATE SECURITY AND DEVELOPMENT ASSISTANCE

HISTORY

There are fundamental differences between the private security sector today and its precursor, the mercenary forces of centuries ago. While the mercenary armies of the thirteenth through the mid-twentieth centuries were mainly offensive forces, the modern PSC is predominantly used for defensive action, only engaging in hostilities if it is attacked first. The modern private security industry, unlike the industry of old, provides a much wider array of services, including program management, logistics, risk consultancy, training, and development assistance. Their array of services is equaled only by the wide diversity of clients they serve. In addition to serving foreign governments, NGOs, and international institutions such as the UN and the World Bank, they also provide security and related services for extractive

³ . . . Singer, *Can't Win With 'Em*; Avant, *The Market for Force*; Lisa Rimli and Susanne Schmeidl, *Private Security Companies and Local Populations: An Exploratory Study of Afghanistan and Angola*, Swiss Peace (November 2007).

⁴ . . . David Shearer, *Outsourcing War*, *Foreign Policy*, no. 112 (Autumn 1998): 68-81.

⁵ . . . Carin Norberg, *Building Stability in Africa: Challenges for the New Millennium: Development Aid, Humanitarian Assistance, and Emergency Relief*, in *Knowledge Empowers Africa*, monograph no. 46 (Institute for Security Studies, February 2000).

⁶ . . . Avant, *The Market for Force*.

⁷ . . . MacGinty, *Pre-War Reconstruction*.

industries and other large multinationals. PSCs today also are more multinational and ethnically heterogeneous than their antecedents.⁸

PSCs support development assistance programs by providing physical security for compounds, distribution centers and public events; mobile security for convoys; personal security details (PSDs) for NGO and government personnel; and myriad peripheral services such as logistics, training, intelligence, and liaison. Some PSCs are expanding beyond these services and are involved in election monitoring, community outreach, and development program management. They manage currency exchange programs, conduct community police training, train farmers on how to establish local community watch groups, establish and monitor voting processes, and dispense humanitarian aid. One respondent from a PSC, in describing this expanded involvement, remarked, "We are being asked to procure housing and office space [in an unstable state]...our development client used to never outsource this type of work."

The environment in which development assistance programs are implemented also has changed dramatically from that which prevailed decades before. Traditionally, the U.S. military engaged in conflict until there was a ceasefire or capitulation. When the conflict ended or was suspended, the UN and NGO community entered the environment and managed reconstruction. The conflicts that emerged after the Cold War, including those in Serbia, Rwanda, The Democratic Republic of Congo, Somalia, and elsewhere were largely ethnic or religious conflicts, in which foreign governments and NGOs operated in a constantly hostile environment, increasing the risk to international personnel.

These environments, as well as those in Iraq and Afghanistan, challenged traditional military strategy because there was no real end to violent conflict.⁹ From the conflicts in the 1990s, international actors learned that "conflicts sometimes had a way of simmering for a long time without ever being fully extinguished."¹⁰ As the U.S. and the international community became more familiar with this new environment, the term "weak or failed states" was coined to describe countries with ongoing violence, poor rule of law, weak institutions, and ethnic and religious fragmentation. Because of continued violence or the threat of violence, every major peace operation involving the international community over the past fifteen years has included the presence of private security companies.¹¹ The implication of this, some believe, is the "securitization of development."¹²

NEW DEVELOPMENT ENVIRONMENT

The U.S. government's new national security strategy relies heavily on development assistance and humanitarian aid to reduce the threat of terrorism through stabilization and democratization programs. This strategy has created a new development paradigm in which the development community, confronted with new challenges, expectations and dangers, has turned to the private security industry to reduce its operational risk.

⁸ . Rimli and Schmeidl, *Private Security Companies*.

⁹ . MacGinty, *Pre-War Reconstruction*.

¹⁰ . *Ibid.*

¹¹ . Avant, *The Market for Force*.

¹² . MacGinty, *Pre-War Reconstruction*; Stuart Eizenstat, John E. Porter, and Jeremy Weinstein, 2005. *Rebuilding Weak States*, *Foreign Affairs* 84, no. 1 (January 2005).

While unstable states have existed for a long time, the development community has only recently become involved in these environments. The reasons for this involvement are twofold. First, since September 11, 2001, the U.S. government considers unstable states to be potential safe zones for al-Qaeda.¹³ This has led to the formulation of new interventionist policies that rely heavily on development assistance to influence public sentiment in ways favorable to U.S. interests. Second, the U.S. military has slowly come to realize—partly from failures in Iraq and Afghanistan—that “hard power” (military force) is not enough to defeat a determined insurgency or co-opt a disaffected population harboring resentment towards the West. There is a gradual shift towards seeing military activities as just one part of the U.S. strategy of nation building, with the biggest challenge coming in managing stabilization and reconstruction, which requires garnering support and commitment from local communities.¹⁴

Placing development assistance at the forefront of national security strategy expands the activities of development actors in unstable environments. This has increased the risks inherent in development program implementation. Studies point to increasing threats to aid workers around the world, leading to suggestions that NGOs and development agencies, such as USAID, take a more serious approach to security and build better working relationships between NGOs and PSCs.¹⁵

One argument advanced by the Center on International Cooperation (CIC) and the Humanitarian Policy Group (HPG) is that the increased danger to aid and development workers comes from the presence of military forces in the development environment. It suggests that threats to aid workers only increase when NATO, U.S., or U.K. forces are present.¹⁶ The causality issue in this argument is whether the presence of military forces in an environment contributes to greater aid worker casualties or the military is present because the environment is inherently more dangerous. Despite disagreement over the factors that cause increased risk in unstable environments, there is clearly a growing convergence of military, development, and private security actors in unstable environments, and this has important public policy implications.

THE ROLE OF PSCS IN THE NEW DEVELOPMENT ENVIRONMENT

When asked why PSCs are needed in development, one interviewee responded, "Why do you have security firms? Because you [development entities] are working in an environment that is not conducive to development, yet you cannot ignore that environment. A perfect example is humanitarian relief in Darfur. You cannot operate in Darfur without security." The new U.S. strategy of intervention in unstable states, and the use of development assistance as a reconstruction and stabilization tool to create a bulwark against al-Qaeda, has created a market for PSCs' support of development assistance initiatives. Another respondent noted that, "The role and importance of security companies in development is growing because of the increased involvement in countries that are unstable and require a security presence."

¹³ . . <http://www.whitehouse.gov/nsc/nss/2002/nss2002.pdf> . This is the 2002 U.S. National Security Strategy. It is located on the U.S. White House's official website, www.whitehouse.gov.

¹⁴ . . *Security and Defense Roundtable, The Private Security Phenomenon: Policy Implications and Issues* (Dec. 7, 2006).

¹⁵ . . *Ibid.*

¹⁶ . . *Ibid.*

The operating environment in places like Afghanistan, the Sudan, and Iraq are unique in that the level of risk is often too high for NGOs and development firms to implement programs unprotected. They cannot conduct their routine field functions, such as visiting construction locations or meeting with local leaders, without security. Following the events of September 11, 2001, and the rapidly deteriorating security environment across several countries, development assistance was greatly hampered. “They [the development community] had this ‘green zone’ mentality where they couldn’t move freely, and when they did move, they rushed out to a meeting and back to the base,” noted one interviewee. “You can’t conduct development assistance like that. They [USAID] couldn’t oversee their projects.”

Some development organizations responded by hiring internal security managers to train and manage local security elements. This option was not widely adopted because earlier experience in environments such as Iraq and Afghanistan, in which several development personnel were killed, seemed to indicate that it was too dangerous for development entities to manage security through in-house personnel. One interviewee suggested that this is largely due to an inadequate understanding among USAID and development entities of security management. “Security is not the core business of development firms. They don’t understand it. That is why they have been largely unsuccessful in managing security functions in-house and have instead outsourced this function to security companies.”

Because of the nature of their mission, NGOs and development entities often are more exposed to criminal or terrorist attack than other international stakeholders.¹⁷ A large percentage of development programs in unstable environments take place in rural areas, generally far from military or host-nation support. PSCs give development stakeholders the ability to move about more freely than they could otherwise. Describing the role of PSCs, one respondent said, “We [PSCs] provide development clients the ability to get out and see their projects and monitor them... That might be as benign as providing an intelligence report, or it might be that they need to have security every time they go out.” Moreover, in environments deemed too risky for development personnel, such as the Federally Administered Tribal Areas of Pakistan and Southeastern Afghanistan, PSCs have been tasked with implementing the development assistance programs.

PSCS’ IMPACT ON DEVELOPMENT EFFORTS IN UNSTABLE ENVIRONMENTS

There is an evolving discussion in the international community and development circles regarding whether the involvement of PSCs helps or hinders development assistance programs. Development stakeholders, from foreign militaries to local civilian populations, have entrenched, and in some instances negative, perceptions of PSCs. Understanding the roots and implications of these perceptions can provide a clearer understanding of the benefits and consequences of employing PSCs in development.

This study uncovered many positive aspects of PSC involvement in development assistance programs. As one interviewee noted, “You need to provide a degree of security to get good people [development personnel] to go to bad places. The question is how prominent they make the security.... As development personnel become more used to working in these

¹⁷ . Security and Defense Roundtable, *Private Security Phenomenon*.

kinds of environments, they will demand more security.” One study concluded that, without the protection and flexibility provided by PSCs, many international organizations would not be operating in Afghanistan.¹⁸

The role of PSCs in enabling development programs is not widely understood by local populations. “In focus groups with local Afghans, they [Afghans] did not understand that without PSCs, there would not be any aid and development in Afghanistan.”¹⁹ Many development stakeholders agreed that PSCs are critical to development assistance in unstable environments. One interviewee with more than ten years’ experience in a for-profit development firm remarked that “security companies can be helpful for development, especially if they are well-rounded and multi-dimensional.” In addition to facilitating development programs, other benefits of PSCs mentioned in the academic literature include their contribution to the local community through education and training, as well as procurements through local businesses, which help build local capacity and introduce international business standards.

Although using PSCs has several positive implications for development initiatives in unstable environments, there are negative aspects as well, including negative perceptions of PSCs on the part of locals, the development community, and the U.S. military. A limited number of studies have looked at locals’ perceptions of the presence of PSCs. A recently published study by the Swiss Peace Organization provides significant evidence that Afghans have a negative perception of PSCs. They found that “locals perceived PSCs to actually breed the perception of war when the reality is that the country is trying to build a lasting peace.”²⁰ Other negative perceptions from Afghans included feeling that PSCs have no accountability, are impolite, assume a hostile posture, are too heavily armed, and collaborate too closely with local tribal leaders who exploit the local inhabitants.²¹ PSCs often hire former militia members because they are generally the only local personnel with prior security backgrounds. This leads to a blurring between armed militia and PSCs that can have negative implications for development programs. Several Afghans also remarked that they could not tell the difference between PSCs and the U.S. military.²²

Particularly alarming to NGOs and others in the development community was the belief among local Afghans that PSCs are comprised largely of militia members under the control of warlords who do not want to disband their militias.²³ While some local focus group respondents mentioned that PSCs provided a boost in employment and revenue for the local community, some argued that this boost was being felt by relatively few people, and mostly in urban areas.²⁴

According to several respondents in this study, development entities, being particularly sensitive about their image in local communities, were initially opposed to using PSCs. This opposition was based not only on much-publicized PSC misconduct and firsthand accounts of PSCs’ aggressive tactics, but also on the unique requirements of development assistance, which often involves embedding development programs in the local community, as well as

¹⁸ . Rimli and Schmeidl, *Private Security Companies*.

¹⁹ . *Ibid.*

²⁰ . Rimli and Schmeidl, *Private Security Companies*.

²¹ . *Ibid.*

²² . *Ibid.*

²³ . *Ibid.*

²⁴ . *Ibid.*

communicating openly with, and being trusted by, the local population. The common perception in the development community, including USAID, NGOs, and private development firms is that PSCs adversely affect the development agenda. In the case of development and private security in Afghanistan, focus groups tend to support this belief. "It is difficult," remarked one interviewee, "to build a good perception among the locals of development when the same security company that cuts a person off on the way to the store [as part of] protecting a diplomatic mission is also supporting civil society programs under the USAID development banner." Another point mentioned frequently in interviews and in the literature is that as PSCs and NGOs become more closely affiliated, NGOs start to be perceived more as military forces and less as independent entities.²⁵

There is widespread distrust and fear on the part of the development community towards PSCs because it is felt that they do not present themselves well to the local community. As one interviewee put it, "Take a company like [name excluded], which is a bunch of cowboys in the wild...They are not culturally in tune with what they are doing." In another interview conducted with an employee of a large USAID contractor, the interviewee stated that, "When you see security providers behaving aggressively in moving through the community, that just reinforces the negative perception. The fear is that by bringing in security, we are going to attract attention and be a target. Some organizations don't even want their vehicles to have the large Codan [brand] antennas."

The development sector also perceives PSCs as not understanding the unique development mission and requirements. As one interviewee stated, "You [PSC] don't know what we [development contractors] need to do. There is the whole thing about keeping people safe, but we also have a mission to achieve, which is to administer the program." Mainly concerned with securing personnel and property and reducing risk, PSCs coexist in constant tension with development actors, who feel compelled to weigh the need for security with the need to achieve their development mission. As one interviewee pointed out, "Each person's perception of risk is different too. If a PSC's perception is not in line with their development client's perception, then there will be a problem getting development done."

Another concern of the development community is that the presence of PSCs undermines the legitimacy of local forces or confuses their responsibilities to protect civil society.²⁶ Recognizing that long-term national stability rests in part on security sector protection of less powerful groups, development stakeholders worry that the presence of PSCs may compromise the legitimacy of local security forces and by extension, the growth of a strong civil society. Development stakeholders also point to the role of PSCs in arms trading in Afghanistan, and have raised concerns that their presence contributes to corruption and weapons trafficking.²⁷

Despite believing that PSCs can have a negative impact on perceptions in local communities, many development stakeholders agreed that it is necessary to employ PSCs to support development programs in unstable environments. As one development professional noted, "the general perception of USAID people is that PSCs are a necessary evil." This view seems to reflect a deeper, emerging conflict within the development community surrounding the issue of PSCs in development. Avant believes that the issue NGOs face in unstable environments is that "the use of security causes a conflict of norms within the various

²⁵ . Security and Defense Roundtable, *Private Security Phenomenon*.

²⁶ . Avant, *The Market for Force*.

²⁷ . Rimli and Schmeidl, *Private Security Companies*.

organizations between those who believe that the ends justify the means and those who believe that the use of security compromises the principles of their organizations.²⁸ This conflict of norms is evident in one respondent's concern that employing a PSC could undermine the long-term health of the local community. "We knew that the PSC would be training and arming a large number of locals and we were worried that once we left, we would leave behind another armed militia that we had actually created."

While the U.S. military has expressed appreciation for the services PSCs provide—they guard bases and provide logistics and other support so that the military can focus on mission-critical activities—the military's strategy to win "hearts and minds" has caused many in the military to resent the negative attention generated by PSCs' aggressive vehicle tactics and propensity to fire without provocation.²⁹ The U.S. military has promulgated policies outlining the importance of winning the support of the local community by, in part, minimizing the disruption by military operations of the social fabric of local life. This new strategy is elucidated in the U.S. Army's *Small Wars* manual, which says that small wars are battles for perceptions and attitudes of the target population.³⁰ In addition to contributing to negative local perceptions of the international community, the military has also complained that PSCs often enter its area of operations without advance notice.³¹

PSCS, USAID, AND THE NEW DEVELOPMENT REALITY

The new reality facing USAID as the principle U.S. government agency for foreign assistance is that it is now operating in environments that were once alien, and with partners—private security companies—whose culture and approach are antithetical to the way the agency and its contractors operate.

Under the post-September 11, 2001 national security strategy, the U.S. government now views many unstable countries as potential al-Qaeda strongholds that can not be ignored.³² This strategy has created an operating environment in which security services have become increasingly critical to aid delivery. "My first experience with private security contractors was in Afghanistan," one interviewee remarked. "I had been with USAID for fourteen years at that point in some pretty bad places and we had never needed them. If it got too dangerous, we waited until NATO went in or we just worked in another sector of the country." Another respondent pointed out that prior to the War on Terror, USAID only used security on a limited basis to protect expatriate staff.

Slow to realize the financial impact of operating in unstable environments, USAID was not prepared for the need to greatly expand the use of PSCs and the costs associated with employing them. "I don't think that USAID even got it," one respondent remarked. "They didn't even have a line item in contracts for security." In an appearance before a congressional committee, speaking on USAID expenditures for Iraq and Afghanistan, James R. Kunder, Assistant Administrator for Asia and the Near East, noted, "We spend roughly 22

²⁸ . Avant, *The Market for Force*.

²⁹ . Robert Young Pelton, *Licensed to Kill: Hired Guns in the War on Terror* (Three Rivers Press, 2006).

³⁰ . Singer, *Can't Win With 'Em*.

³¹ . Security and Defense Roundtable, *Private Security Phenomenon*.

³² . Ruben Berrios, *Contracting for Development: The Role of For-Profit Contractors in U.S. Foreign Development Assistance* (Praeger, 2000).

percent of the money we are spending on programs for security purposes ... We have to pay these security costs to deliver the services that we are asked to deliver under the Foreign Assistance Act" (Subcommittee Proceedings, 2006).

Several interviewees described the reaction of USAID personnel to the idea of using PSCs as apprehensive and in a state of denial. As one long-time development operator put it, "USAID was and still is in a dilemma. They realized that they needed security to get around and see their various projects, but they were pretending as if the environment was relatively secure." Another interviewee explained the apprehension of the development community to accepting the need to use PSCs: "Security and development do not go hand and hand. There are development types that do not want anything to do with security. We had NGOs that were subs [subcontractors] and they didn't want anything to do with security. Some recognize it [the need for private security] while others do not want it at all, and yet others will allow them [PSCs] but then circumvent them any time they can." USAID is still coming to grips with the concept of combining development and security. As one interviewee explained, "Security is all new to USAID and they went kicking and screaming." Another interviewee remarked, "They are still getting that comfort level. They have been reluctant. They have been pulled into this. It took a lot of deaths to see the light."

POLICY MEASURES

Two key questions are asked in this paper: Why are PSCs involved in development assistance? And does their involvement help or hinder the development process? This paper, while providing evidence that PSCs help development programs by making development objectives achievable in unstable environments, also reports findings that PSCs can adversely affect implementation of development programs by contributing to negative perceptions in the local community and among development entities. The consequences of this are less effective development programs and increased risk to development and security personnel. This study recommends two policy measures that can improve public and development sector perceptions of PSCs, thus creating better stakeholder relationships that advance development objectives.

One policy measure that can be taken within the private security industry is for individual PSCs to promote understanding of the development mission through internal educational and training programs. These programs could be provided by security industry trade associations to their member companies. One interviewee with experience in both the development and private security industry explained that there needs to be more communication between security and development entities in order for them to understand one another's mission. Development entities should also invest in educational initiatives to train employees about basic security needs and the positive role of PSCs in unstable environments. Another interviewee remarked that once development personnel worked with PSCs, they came to expect the same services on their next assignment. Sharing the earlier field experiences of these development personnel with the wider development community could be a constructive element of an education and outreach model that fosters better working relationships between the two industries.

This paper also recommends that USAID consider more stringent guidelines for PSCs that are supporting development programs, including vetting of local and expatriate

personnel, mandatory development training, and non-security related skills enhancement training for local PSC personnel. Based on concerns that criminals and militia members are being involved in development, and that local and expatriate personnel in Afghanistan sometimes act aggressively and even criminally, USAID should establish stringent vetting standards and requirements for local and expatriate PSC personnel to ensure that they do not have criminal records or, in the case of locals, prior experience in a militia. More stringent vetting requirements will provide USAID with greater assurances that security personnel are contributing to a positive perception in the community. This requirement should reduce risk to USAID contractors, security personnel, and local citizens. Currently, USAID vetting requirements are not providing the proper assurances, given the impact of personnel choices on the efficacy of development assistance programs.

By requiring that all PSC personnel supporting development assistance programs receive mandatory and comprehensive development assistance training prior to working on a development program, USAID can potentially improve local attitudes and perceptions and reduce risk to personnel. This could be achieved through mandatory contract stipulations that PSCs include a development-oriented training package to be administered to PSC personnel during project mobilization. USAID could even create their own development assistance training package for PSCs, perhaps reaching out to security consultants and private security associations to assist in its development. This would give USAID content control and the ability to standardize training across its contractor community.

USAID and its development partners can mitigate the risks of militia creation from their activities by making alternative skills training for local security personnel, such as management, accounting, English language, computer, logistics, and other skills, mandatory in all PSC contracts. This would provide a diverse base of skills that can support a local economy after the development entity has left the area, and is in line with USAID's and the larger U.S. government's long-term objective of transition and development.

CONCLUSION

The U.S. government's use of development assistance as an anti-terrorism strategy in unstable environments shows no sign of abating. If the U.S. government and other western governments believe the key to fighting current and future conflicts is to win community support, then the blending of security and development is likely to continue.³³ The increasing number of unstable states will also lead to a greater need for PSC support of development assistance programs.

Another likely future development is the increased blurring of the distinction between security companies and development firms. As the opening case demonstrates, some PSCs are already handling development-oriented tasks. This trend will probably continue into the future. As security makes up an ever-increasing portion of USAID's budget, traditional development firms also are likely to become more comfortable conducting security-related tasks. The implications of this blurring can be positive if it creates hybrid firms that understand both the security and development environments, or negative if the mission of development is subordinated to security. With the securitization of development likely a long-term trend, the development stakeholder community should take additional steps to

³³ . *The Economist*, Oct 27, 2007.

adapt to this new environment by fostering a better understanding of one another's mission. Sharing knowledge and understanding of their respective environments will lead to enhanced effectiveness of development assistance programs in unstable environments.

Through stronger policy frameworks and additional contract requirements for training and vetting, USAID can gain more control over PSCs in this new environment to ensure that development programs are positively perceived in local communities, and that PSCs and development entities work effectively together to achieve U.S. government objectives. Future research should focus on gathering additional data on local perceptions and attitudes towards PSCs and the development community in other unstable environments. The policy measures introduced in this paper to enhance USAID's control over how security is employed in support of development programs should be further analyzed and alternative policies proposed. Finally, the widening use of PSCs in development assistance programs deserves close attention as an important public policy and philosophical question. In examining the history of development assistance, private security, and USAID in unstable environments, it is clear that development stakeholders still have considerable progress to make in adapting to the new aid environment.

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