

THE ROLE OF NATIONALITY IN THE PRIVATE MILITARY AND SECURITY INDUSTRY

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April 9, 2008

Introduction



- PMSC Market produces a “dual shift”
 - Privatization
 - Internationalization
- Separate but related processes
- Nationality does still matter under internationalization

How Does Nationality Matter?



- No longer an exclusionary criteria for military labor. Instead it is:
 - *I. A stratification criteria*
 - ▣ Helps to internally organize and divide the workforce
 - *II. A political tool*
 - ▣ A feature that states can manipulate
 - *III. These economic and political forces produce a changing geography of sacrifice in war.*

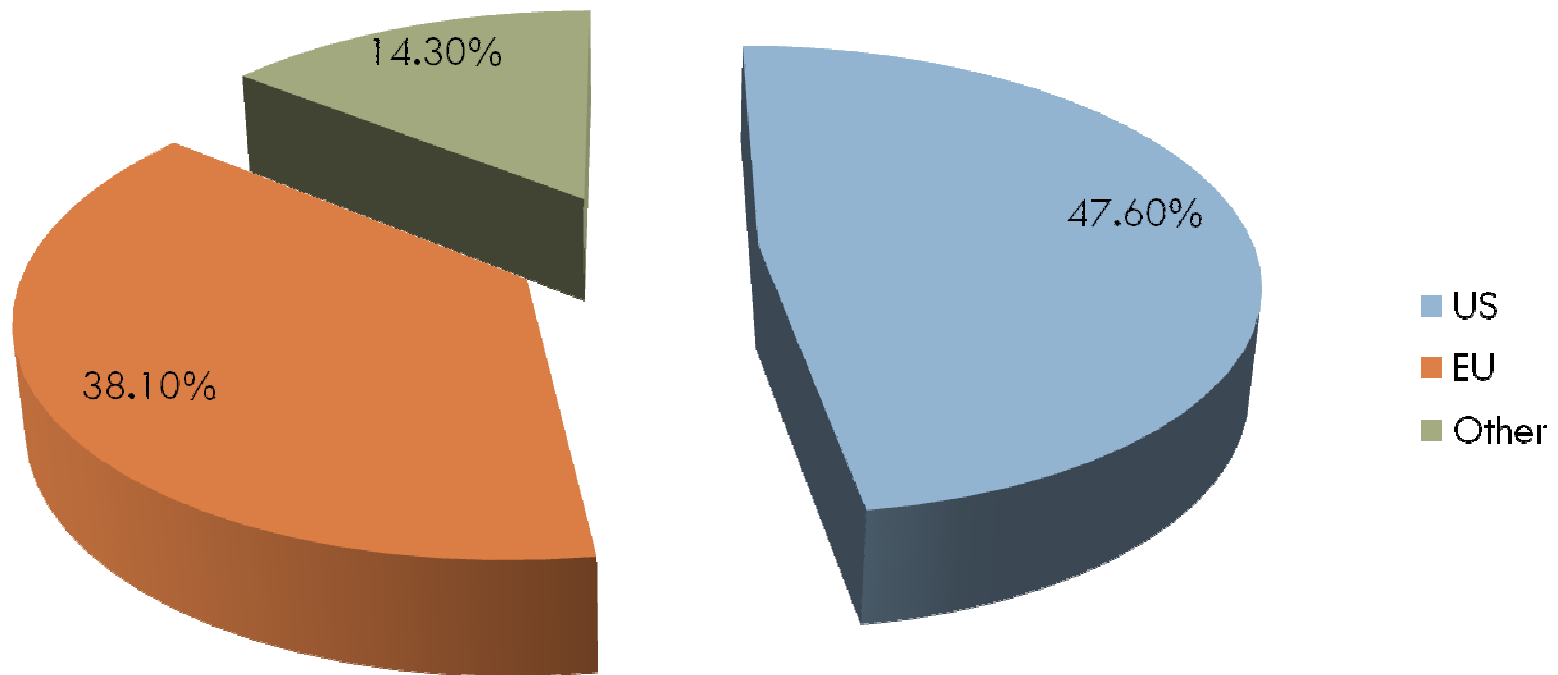
Ia. Nationality in the PMSC Market



- Structure of the Market
- The geographic dispersion of subsidiaries and subcontractors
- The global workforce

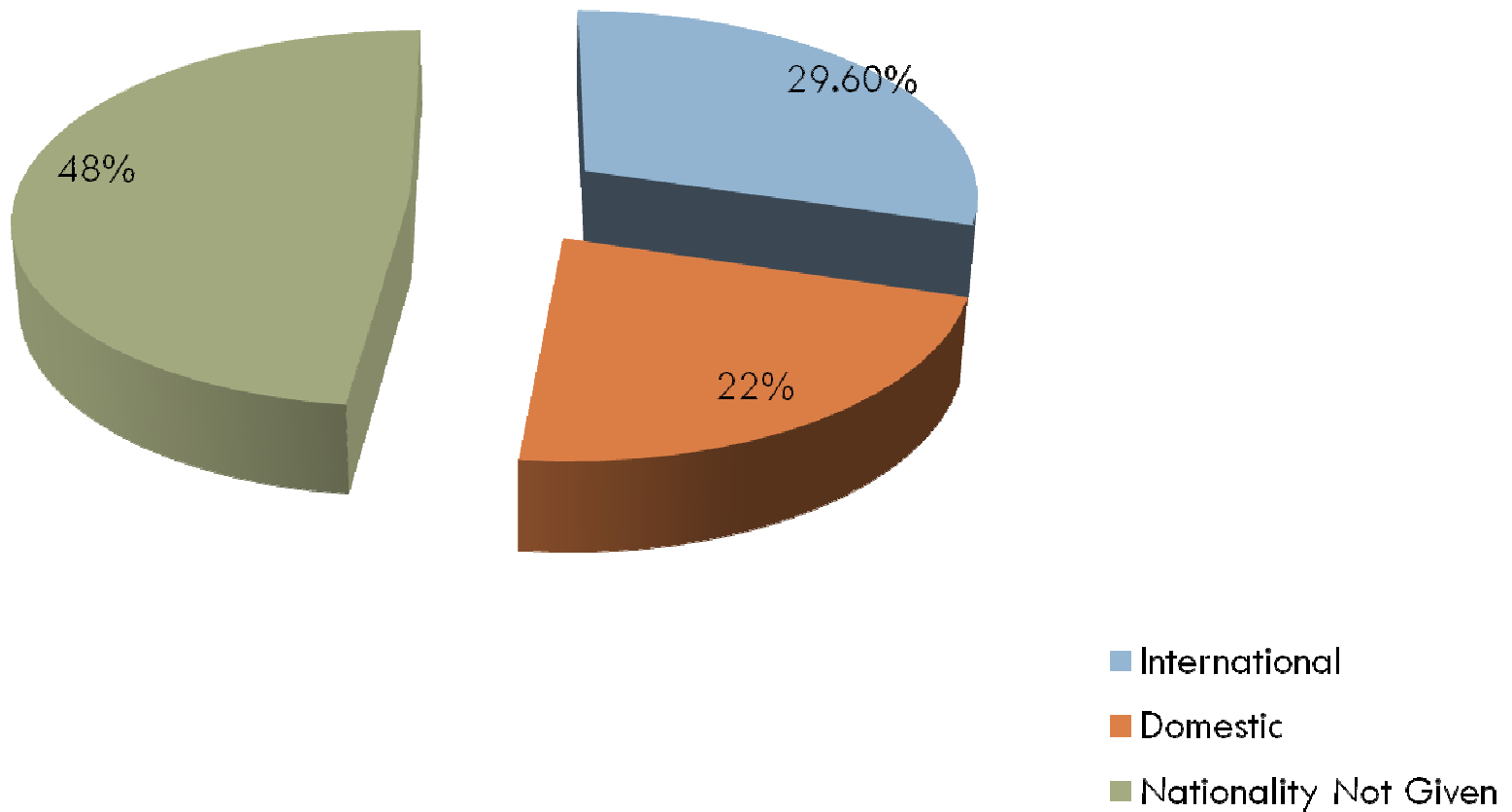
Location of PMSC Headquarters

Data Source: IPOA 2007 Survey



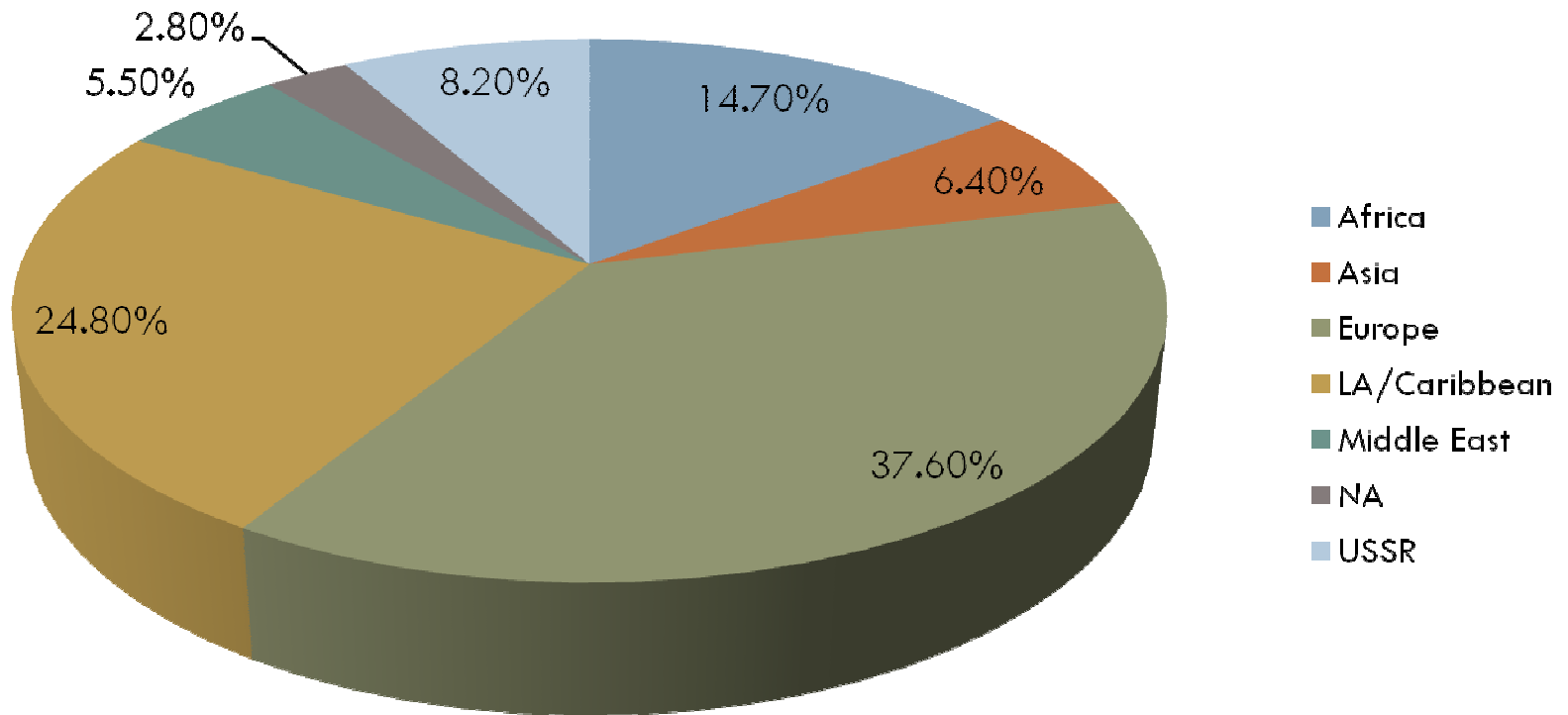
Reported Location of PMSC Subsidiaries

Data Source: McCoy



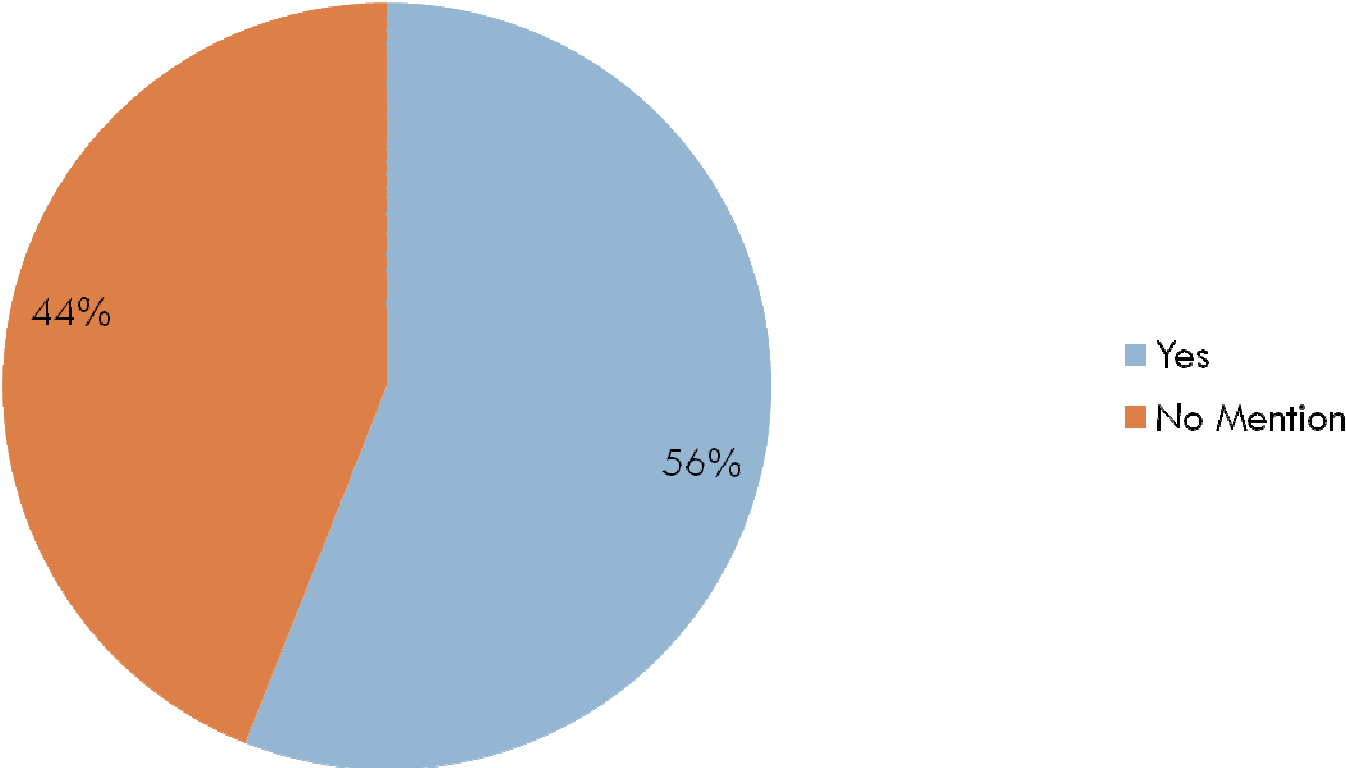
Location of International Subsidiaries

Data Source: McCoy



Companies Advertising That They Have a “Global Workforce”

Data Source: McCoy



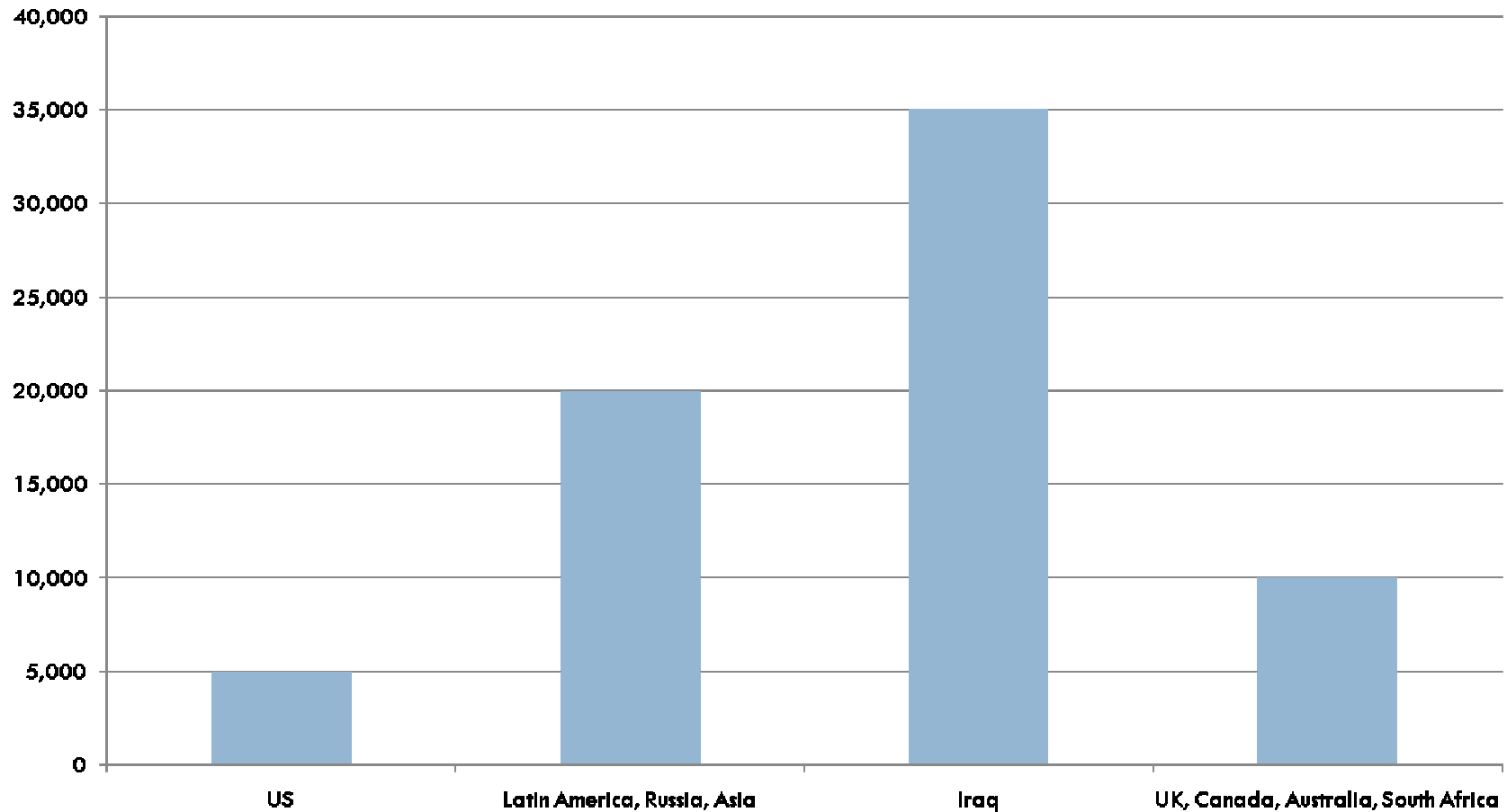
Ib. Nationality and Stratification



- Stratifying Categories
 - Ex-pats
 - Host Country Nationals (HCNs)
 - Third Country Nationals (TCNs)
- Estimates of Breakdown by Category
- Features of Each Group

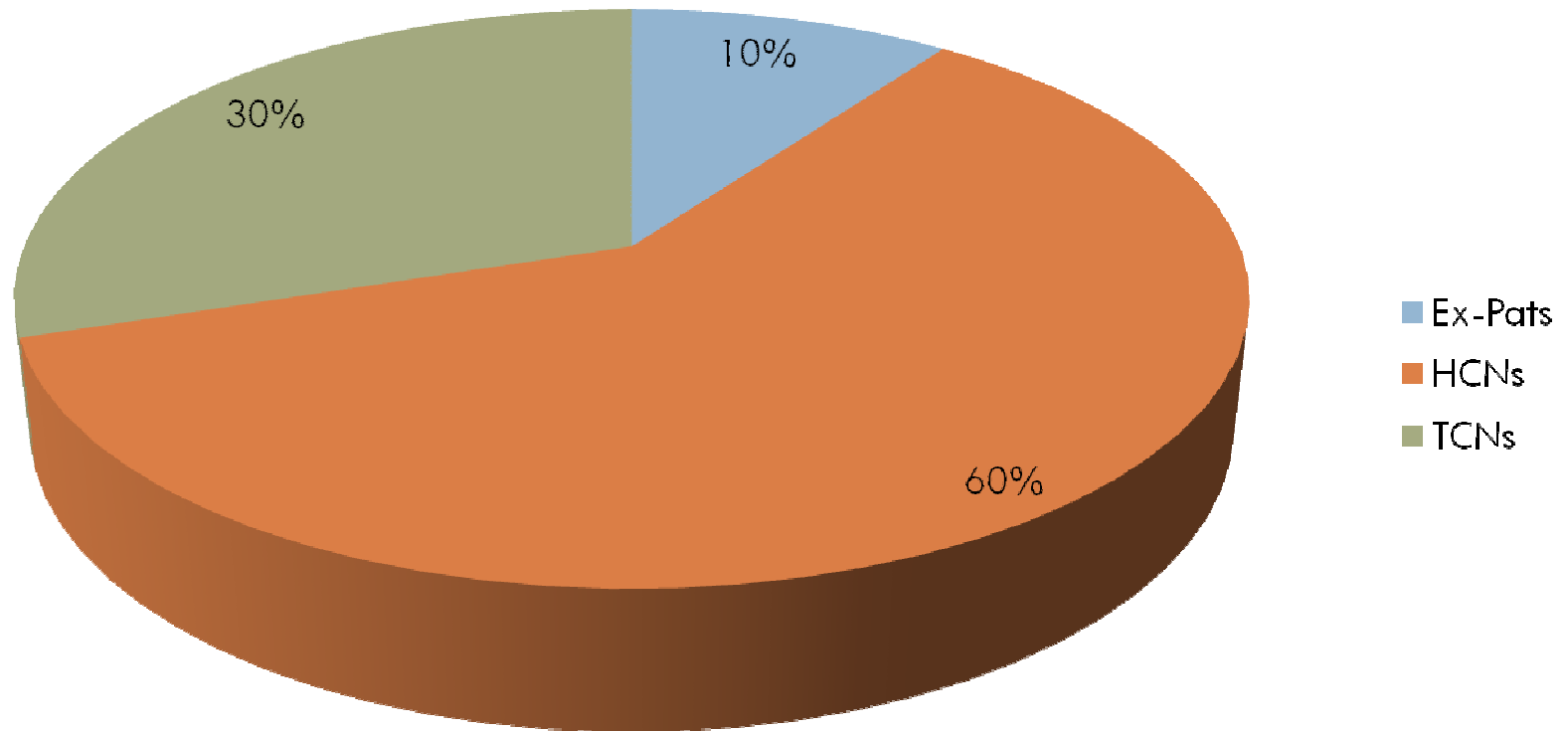
Estimated Number of Security Contractors in Iraq, by Nationality

Data Source: UNWG

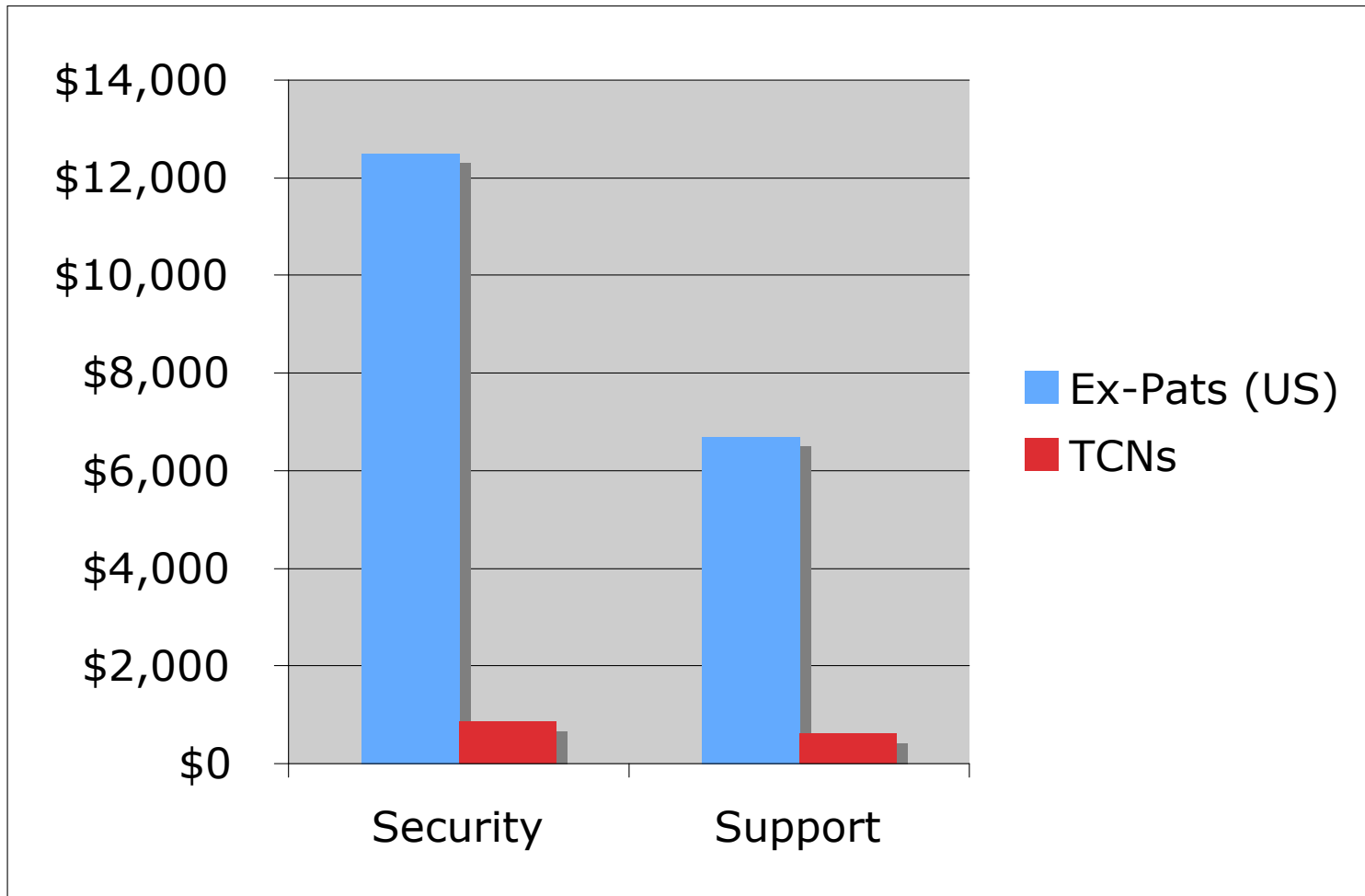


Average Breakdown of PMSC Hires

Data Source: IPOA 2007 Survey

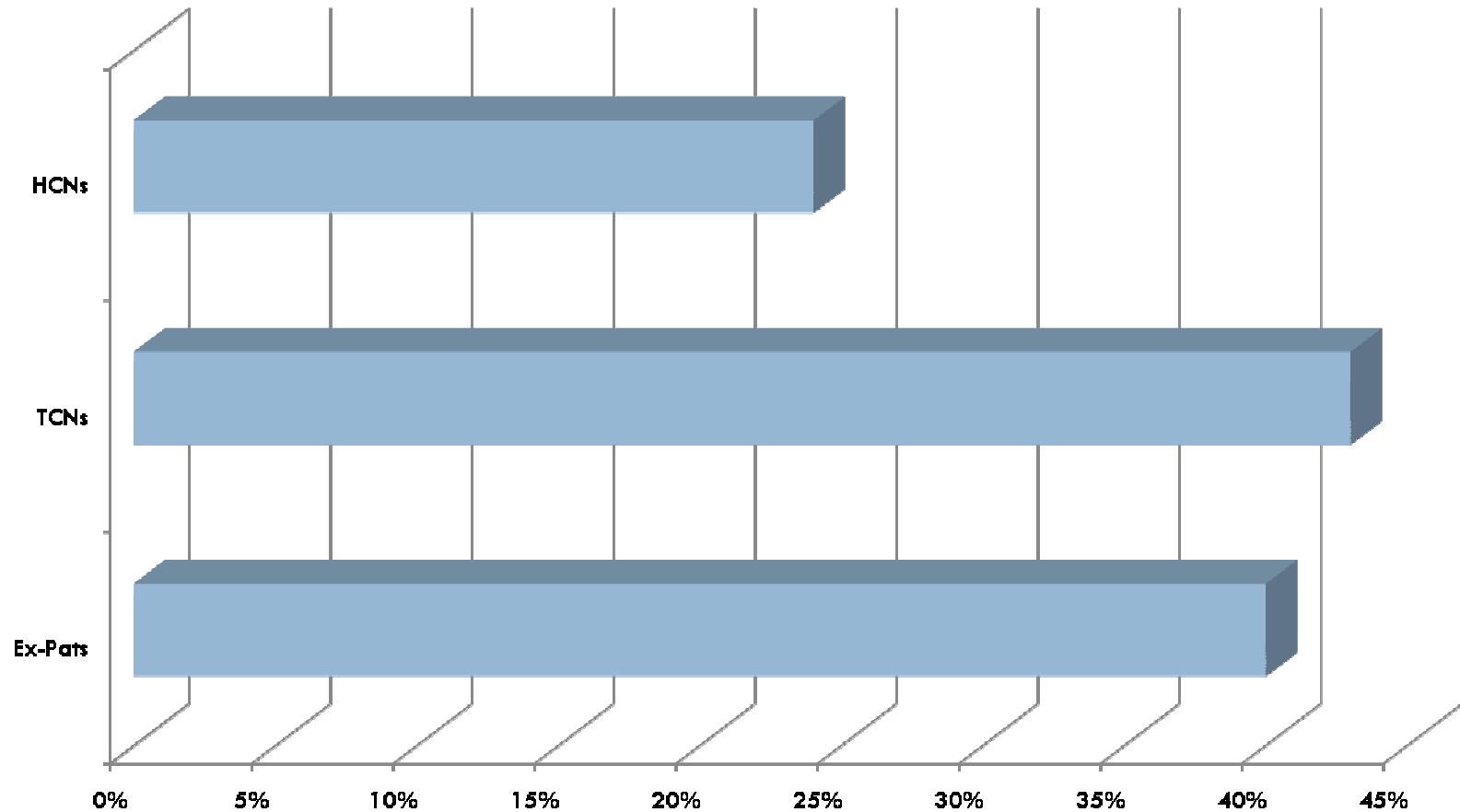


Average Monthly Salaries for Contractors



Percent of Employees Authorized to Carry Firearms

Source: IPOA 2007 Survey



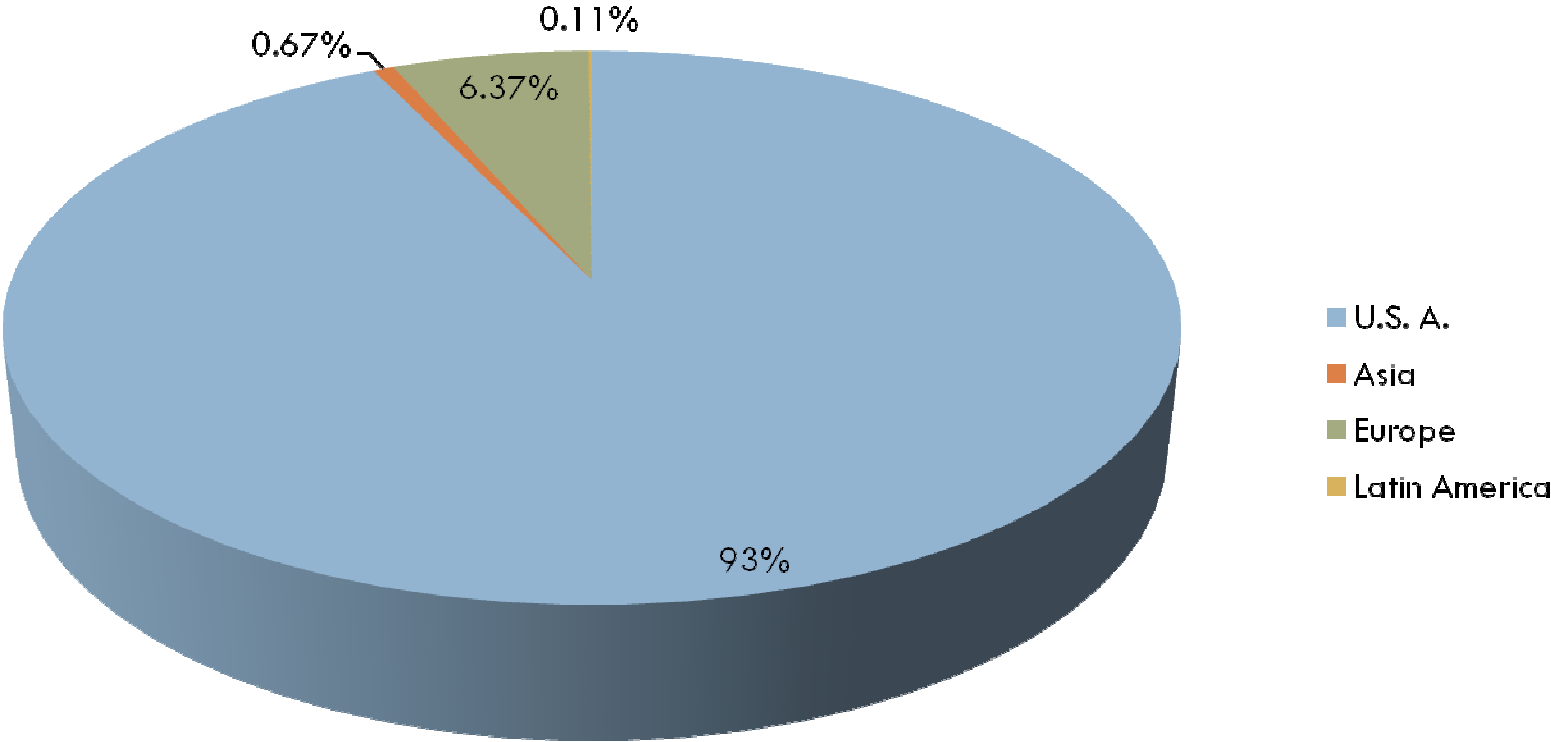
II: Nationality as a Political Tool



- The international composition of the PMSC workforce can be used by states (clients) to reduce political as well as economic costs.
 - ▣ Sidestepping personnel caps
 - ▣ Selectively embedding TCNs or HCNs
- Overall: Reduced political impact in client state.

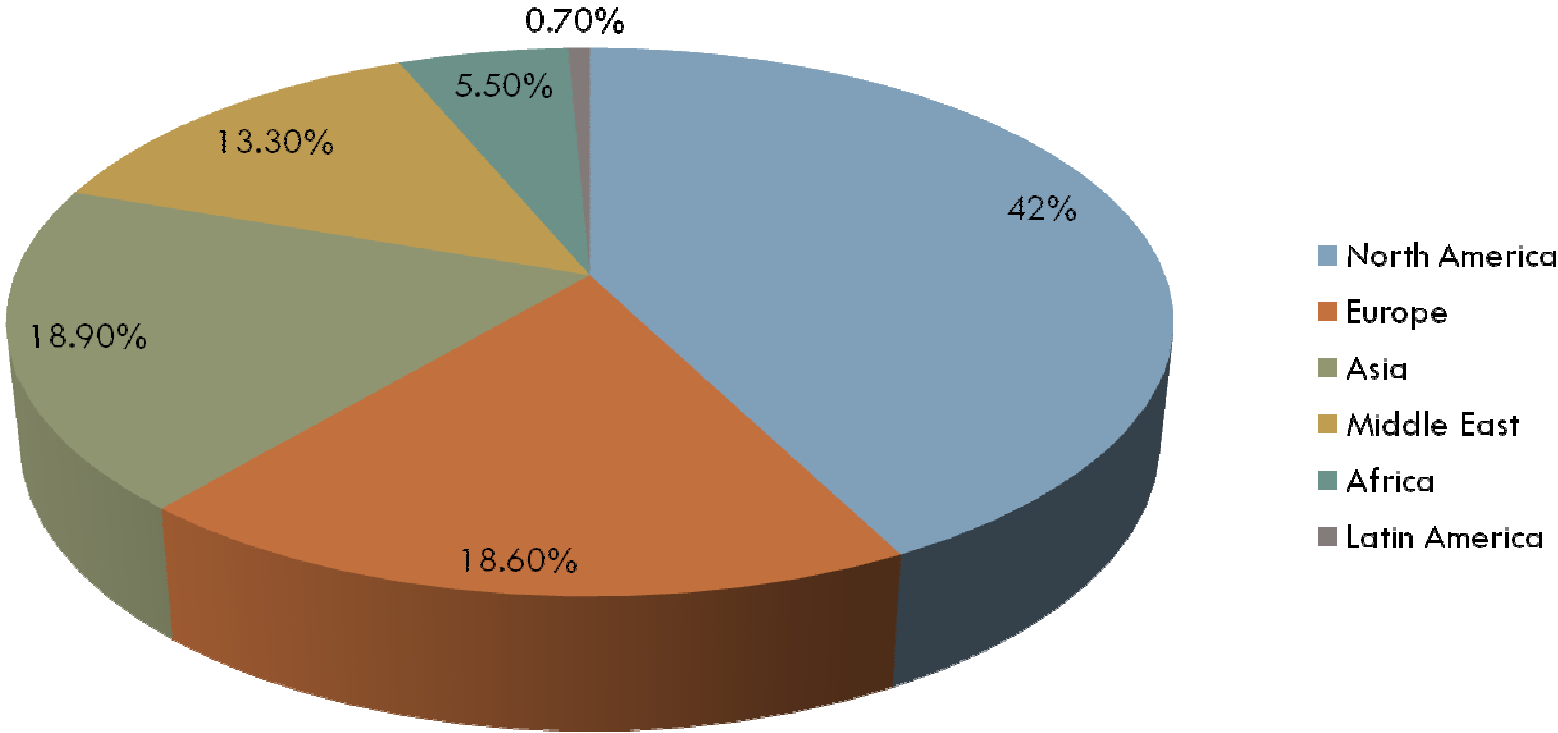
Coalition Casualties by Region

Data Source: www.icasualties.org



Contractor Casualties by Region

Data Source: www.icasualties.org



Conclusion



- Nationality matters when factoring in:
 - ▣ Economic costs (stratified market; cheaper labor)
 - ▣ Political costs (reduced US footprint; more broadly distributed sacrifices)
- Other issues that remain to be addressed:
 - ▣ Security and morale when creating a migrant military labor force
 - ▣ “Upstream” political and economic effects in recruiting countries