In his January 24, 2011, memorandum entitled “Strategic and Operational Planning for Operational Contract Support (OCS) and Workforce Mix,” Secretary of Defense Robert Gates stated:

At the height of Operation IRAQI FREEDOM, contractor numbers well exceeded the military footprint; a similar situation is occurring in support of Operation ENDURING FREEDOM. I do not expect this to change now or in future contingency operations.

Although there is historic precedence for contracted support to our military forces, I am concerned about the risks introduced by our current level of dependency, our future total force mix, and the need to better plan for OCS in the future.

The memorandum concluded by stating, “The time is now—while the lessons learned from recent operations are fresh—to institutionalize the changes necessary to influence a cultural shift in how we view, account, and plan for contracted and CEW [Civilian Expeditionary Workforce] support in the contingency environment.”

In short, the Secretary stated that the United States will continue to use contractors as half of any deployed force, so the Defense Department should figure out how to do it right. Molly Dunigan’s Victory for Hire: Private Security Companies’ Impact on Military Effectiveness is a good place to start. Dunigan is an Associate Political Scientist at RAND and is also author of its study “Hired Guns: Views About Armed Contractors in Operation Iraqi Freedom.”

In Victory for Hire, Dunigan set out to achieve two goals. First, she wanted to illustrate the impact that private security companies (PSCs) have on military effectiveness and the probability that a democracy can use them well. Second, she wanted to understand the way differences in structure and identity affect military forces composed of a mix of national militaries and contractors “with an eye to providing policy prescriptions for current U.S. policy.” In doing so, Dunigan first explores the theoretical considerations of democratic states using contractors. She then examines both the positive and negative aspects that affect both the providing state and the receiving state. While Dunigan frames her argument within the literature of international relations, her observations are pointed and have practical impacts. She notes:

❖ Private security contractors allow weak state leaders to outsource violence and thus never have to develop a state apparatus. Funding is spent...
on contractors rather than building state capacity.

❖ Strong democratic states can outsource interventions to contractors. This preserves the strong states’ own military forces but hinders the prospect of the host nation developing its own security institutions.

❖ Contractors allow leaders of strong states to avoid restrictions imposed by either the international community or its own legislative branch (a particular concern to this reviewer).

Dunigan then takes on the issues generated when contractors operate alongside active military forces—operational coordination issues, morale impact of pay differentials, and impact of contractors on the host nation population’s perceptions of U.S. forces. Dunigan concludes that PSCs “serve as force multipliers in Iraq and Afghanistan and thus have a beneficial impact on quality [but] they have a negative impact on integration through the structural and identity-based hindrances to their effective coordination.” In particular, she stresses the negative impact that contractor actions have on the perceptions of the population—particularly when the United States is running a population-centric (legitimacy of governance) counterinsurgency campaign.

This reviewer traces this negative impact to three facts. First, the United States does not really know whom it is hiring when it hires contractors. We screen our military personnel carefully before enlistment and then train them for months before deployment. In contrast, except for special programs, we do not screen private security companies except on paper. We have even less knowledge concerning subcontractors. Yet we authorize these personnel to use deadly force in our name. Second, unless a U.S. Government employee travels with contractors, we do not know what they are doing in the society at hand. Finally, despite not knowing who they are or what they are doing, the United States is held responsible by the host nation population for everything contractors do or fail to do. This third fact is what makes it a strategic level issue. Counterinsurgency is a competition for legitimacy between the government and insurgents. The presence of essentially unaccountable, illegitimate agents directly undercuts that legitimacy.

In the next chapter, Dunigan examines the operational effectiveness of contractors through the lens of four case studies. The first two are cases where private firms have been hired to execute missions in place of military forces: Sandline in Sierra Leone and Military Professional Resources, Inc. (MPRI), in Croatia. The second two examine where U.S. agencies were employed to accomplish somewhat similar tasks: the Lebanese Civil War (1982–1984) and the Iran-Contra Affair. In conclusion, she notes that Sandline was at least as effective in supporting the Sierra Leone government as the U.S. Government was in supporting the Contras in Nicaragua. And MPRI proved as effective as the U.S. military in training forces. Her primary objection was that the use of contractors allowed governments to get around either international sanctions (United Nations arms embargoes in the case of Sierra Leone and Iran) or national laws (the Boland amendment banning support to the Contras).

Next, a brief chapter on the historical use of contractors provides important background for how the state, contracting companies, and individual contractor relationships have changed over time. These examples also show
how they might be shaped in the future. Dunigan makes the point that the presence of contractors can often improve the effectiveness of the force but, at the same time, reduce its legitimacy. Despite the passing of over 600 years since the Italian city states hired mercenaries, the public’s perception of contractors as mercenaries remains. The contractors themselves understand this repulsion and argue vehemently that they are PSCs or, at worst, private military companies. Despite their arguments, armed contractors are still widely perceived as mercenaries, and Defense Department planners must understand this. There will be situations where the increase in operational effectiveness may not be worth the negative political impact.

Dunigan closes with six lessons and recommendations for policy and regulatory improvements. The lesson that struck this reviewer as most important was a restatement of an idea from her introduction: “PSCs can be and are indeed used by democratic policymakers—often in a covert fashion—to avoid accountability to the citizenry for the decisions to go to war.” In addition to the examples given in her book, it has recently come to light that the United States is using contractors to train African troops in Somalia. The Central Intelligence Agency or Defense Department have traditionally conducted these kinds of missions, and as a result, Congress has developed systems to provide oversight of their activities. However, the contractors in Somalia work for the U.S. State Department. This is another illustration of Dunigan’s point that PSCs can avoid accountability—either intentionally or unintentionally.

The author might have added that PSCs can also be used to sustain an unpopular conflict. One has to question whether President George W. Bush could have marshaled the political support needed to surge to 300,000 troops in Iraq, or President Barack Obama to 200,000 troops in Afghanistan, instead of the 150,000 and 100,000 totals used for the respective campaigns. Yet, if one counts contractors, those were the actual peak strengths in Iraq and Afghanistan. Whether it is a good or bad thing that contractors make it politically easier for the United States to enter and sustain wars is certainly an issue that should be debated. But to date, there has been remarkably little discussion of this key aspect of how the United States decides to go to war.

Despite the absence of debate, Secretary Gates stated that contractors in large numbers will be part of U.S. operations. At the same time, he urged caution about the risks involved. Clearly, both policymakers and voters need to understand the implications of contractors more clearly. Victory for Hire makes a great primer. PRISM