

Guns for Hire: The Corporatization of Conflict
The growth of the mercenary phenomenon since the end of the Cold War and their threat to a
Liberal world order

INTRODUCTION

Among one of the oldest professions in the world is that of the mercenary. Historically, these have been men who were contracted by those in positions of power to fight on their behalf, and not for a cause or ideology, but some manner of personal gain. Mercenaries can be traced as far back as biblical times,¹ and they have helped shape much of history—indeed, throughout the centuries, non-state actors have been heavily relied upon to provide military services that are today strictly associated with the government. As a result, they have been indispensable to advancing the interests of the state. Armies fighting under a single national banner were an anomaly until the rise of the European nation states and their consolidation in the world stage, and this same historical development took mercenaries out of the picture in matters of warfare, although only temporarily. Their line of work has never been as relevant to geopolitics in recent history as it is today.

It is important to clarify here that the argument is that private forces have been extremely important through the ages, and that indeed they even had the means, and potential, to undermine or rival the state—a case in point being the recent episode in Russia, where the Wagner Group mutinied against the state following an order by the Russian Ministry of Defence for Wagner to sign a contract to integrate their forces into the military. Tensions escalated into what became known as Wagner’s “march for justice” to Moscow in what the already embittered Wagner leadership perceived as a blatant attempt from Moscow (particularly the MoD’s leadership, but also the Russian presidency) to remove them from the picture.² What this example conveys is that collaboration is today, as it was in the past, extremely important. A few other examples

¹ 2 Sam. 10:6 (KJV) states how King Hanun of the Ammonites hired 33,000 troops from other kingdoms in the war against Israel, then under David’s kingship. There are other passages in the Bible that reference mercenaries.

² Wagner’s influence had been growing since they became a major player in the war in Ukraine.

illustrate this well. For instance, the most successful mercenaries in the world were arguably the Spanish conquistadors who subdued the Incas and the Aztecs under the leadership of Cortez and Pizarro, professional soldiers who were less loyal to the Spanish crown (their contractors) than they were to the contract they served under. Historian Matthew Restall calls the idea that the conquistadors were soldiers of the Spanish royal state the “myth of the king’s army,”³ given the prevailing notion they fought for king and country and not for their own gain. Albrecht von Wallenstein, one of the central military figures of the Thirty Years War and supreme commander of the Holy Roman Empire’s military, had a mercenary background and at times disregarded instructions and limitations on his powers.⁴ This, in turn, contributed to the idea that “military enterprisers’ like Wallenstein contributed to the war, or at least prolonged it through their desire to enrich themselves.”⁵

Within international relations theory, the realist school of thought posits that the international stage is dominated by self-interested states vying for power in order to ensure their self-preservation. Thus, because states behave in a manner that best suits their interests—even to the detriment of others—the international order is anarchic. In contrast, the liberal school postulates that international cooperation through diplomacy, international bodies and non-state actors is the basis of the international system. To liberals, cooperation trumps the power politics of realism, and it is considered the path to progress. Nonetheless, before any body of international law governed the seas (i.e. the UNCLOS)⁶ they were as anarchical as realists

³ Matthew Restall, *Seven Myths of the Spanish Conquest*. New York: Oxford University Press (2003): 28.

⁴ F. Redlich, “Contributions in the Thirty Years’ War.” *The Economic History Review* 12, no. 2 (1959): 248.

⁵ Peter H. Wilson, “The Causes of the Thirty Years War 1618-48.” *The English Historical Review* vol. 123, no. 502 (2008): 566.

⁶ The United Nations Convention on the Law of the Sea establishes a legal framework in the regulation of seaborne activities by dividing marine areas into internal waters, territorial sea, contiguous zone, exclusive economic zone (EEZ) and the High Seas. It succeeded the 1958 Convention on the High Seas and its 37 articles establishing a code of conduct and limitations of seaborne activities in the High Seas. 169 countries are party to the UNCLOS as per the United Nations’ Division for Ocean Affairs and the Law of the Sea; some notable exceptions include: Iran, the United States, Israel, Turkey, and Venezuela.

describe the world to naturally be. The European race for new trading routes and wealth that became known as the “Age of Discovery” represented the golden age for seafaring non-state actors, notably pirates and privateers—the latter of which were private actors commissioned by the state—and everyone else in between: buccaneers, filibusters, sea beggars, freebooters, marauders, corsairs etc. During this time, British privateers were commissioned under the crown to assert British supremacy of the seas by raiding Spanish and French ships;⁷ during the Portuguese-Dutch War in the 17th century, Dutch “beggars of the sea” who operated under the Dutch West India Company saw not only privateering operations against Portuguese and Spanish ships but also actively participated in the slave trade, and even led the short-term occupation of Northeast Brazil, leading to the establishment of New Holland under private and not state-rule.⁸

Having illustrated with examples the prevalence of mercenary activities in the past and their normality, in this paper I will discuss how since the end of the Cold War there has been a resurgence in the activities of mercenaries—which is not to say mercenaries weren’t active during the Cold War.⁹ Authors including investigative journalist Jeremy Scahill and political scientist P.W. Singer, among others, have documented this phenomenon. I will argue, then, that the rise of the private military industry is the result of the unfettered advances of neoliberal policy-making in government; in this sense, in times of growing instability, the unbridled advances of neoliberalism into public policy are driven by state demand for private services, which in turn has corporatized conflict to a degree never seen before. The formula of exploitation of warfare for financial gain is as old as time itself, whether that financial gain translates to

⁷“Piracy and Privateering with Elizabethan Maritime Expansion.” *National Park Service*, April 14, 2015, <https://www.nps.gov/fora/learn/education/piracy-and-privateering-with-elizabethan-maritime-expansion.htm>

⁸ Wim Klooster. *The Dutch Moment; War, Trade and Settlement in the Seventeenth-Century Atlantic World*. Ithaca: Cornell University Press (2016): 46.

⁹ Tea Cimini. “The Invisible Army: Explaining Private Military and Security Companies.” *E-International Relations*, August 2, 2018, <https://www.e-ir.info/2018/08/02/the-invisible-army-explaining-private-military-and-security-companies/>

financial compensation, territory, resources or influence, if not all of them. The difference now is this relationship of interdependence “gold rush” for private security agents and companies who are now part of a global industry worth hundreds of billions of dollars. In turn, this drive for profit embodied by this industry represents a potential risk to a liberal order wherein cooperation and peace, and not profit, are purportedly the end goal. The question, then, becomes whether this industry will instigate conflict into the future given that their business model revolves around instability and warfare. One must also consider the conduct of western Private Military Companies (PMCs) under a Western-backed world order, how non-Western PMCs are currently operating under such order, and how differently they would operate in a world where the West no longer dominates it. Would the foremost liberal cause of respect to human rights stand to lose? And if so, by how much? Would, for example, Chinese and Russian PMCs act with even more disregard and brutality—as extensions of their home states— than Western PMCs (including Blackwater) given their historical track record? These are all hypothetical, yet important, questions in looking at the future of geopolitics from a security perspective.

DEFINITIONS & LEGAL STATUS WITHIN INTERNATIONAL LAW

Many authors have argued that private military contractors have operated and thrived in a legal vacuum.¹⁰ Domestically, this is due to states’ lack of regulation of Private Military and Security Companies (PMSCs); internationally, particularly in regard to the Geneva Convention, there’s a lack of applicability because it deals primarily with individual combatants and not the corporate phenomenon of PMSCs.¹¹ However, since 2001, 46 member-states of the United

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¹¹ "The Montreux Document on Private Military and Security Companies." International Committee of the Red Cross, p. 38.

Nations (UN) have ratified the 1989 International Convention *against the Recruitment, Financing and Training of Mercenaries*. The UN's definition of a mercenary is as follows:

*(a) Is specially recruited locally or abroad in order to fight in an armed conflict; (b) Is motivated to take part in the hostilities essentially by the desire for private gain and, in fact, is promised, by or on behalf of a party to the conflict, material compensation substantially in excess of that promised or paid to combatants of similar rank and functions in the armed forces of that party; (c) Is neither a national of a party to the conflict nor a resident of territory controlled by a party to the conflict; (d) Is not a member of the armed forces of a party to the conflict; and (e) Has not been sent by a State which is not a party to the conflict on official duty as a member of its armed forces.*¹²

This treaty formally established that any persons or states that recruited, used, financed, or trained mercenaries were in contravention of the treaty, and thus committed an offence. Furthermore, states that were party to this agreement were to enforce it through cooperation by taking “necessary measures for the implementation of this Convention.”¹³ When juxtaposed with the Montreux Document, which in 2008 indirectly supplanted the UN Mercenary Convention, the latter proves to be of little value in the campaign to codify mercenaries as unlawful combatants within the realm of international law. This is because it largely failed to attract support, with only 46 member-states of the UN's 193-strong membership in favour (not any of them a superpower), thus lacking enough support for enforcement—as was the case with the League of Nations. While not legally binding as the UN Mercenary Convention, the Montreux Document makes it obligatory for the PMSCs of signatory states to abide by international law

¹² A/RES/44/34 72nd plenary meeting 4 December 1989 (UN Mercenary Convention), <https://legal.un.org/avl/ha/icruftm/icruftm.html>

¹³ Ibid.

while conducting themselves with the same level of respect and care for human rights. Fifty-eight states have ratified it (including Canada, China, France, Germany, South Africa, the United Kingdom, and the United States), and it has the support of the EU, OSCE and NATO.¹⁴ Furthermore, the Montreux Document makes recommendations for the regulation and conduct of PMSCs in accordance with state laws while also making all parties to agreements involving PMSCs aware of their legal obligations to the international community. Indeed, this document consists of 73 recommendations pertaining to the good practices of contracting states, territorial states, and home states (countries that contract PMSCs versus countries where PMSCs are deployed versus countries where PMSCs are registered). This agreement, in setting out standards and legal obligations for PMSCs (with the support of 58 states) effectively nullifies the goal of the UN Mercenary Convention, which is to outlaw mercenaries and any activities in support of their operations. This is further aggravated by the fact that some states are signatory to both treaties, and how the Montreux Document has not only more signatory parties (besides official support from two major regional organizations and NATO), but that those signatory parties are the heavyweights of the international community.¹⁵ Neither the United States, nor the United Kingdom, Russia, China (and many other countries) have ratified the UN convention given their active use of PMCs.¹⁶

¹⁴ “Participating States of the Montreux Document.” *Federal Department of Foreign Affairs*, January 26, 2022, <https://www.eda.admin.ch/eda/en/home/foreign-policy/international-law/international-humanitarian-law/private-military-security-companies/participating-states.html>

¹⁵ Some regional powers, including Germany and Italy, are signatories to the UN’s Mercenary Convention (with Italy having ratified it). However, both countries are also party to the Montreux Document. Other regional powers, such as Nigeria and Saudi Arabia and Morocco have ratified it (the exception being Morocco, which has only signed it). Belgium, Croatia, and New Zealand have ratified the UN Convention, and Poland has signed it—these four countries are also participatory to the Montreux Document. This is one of many reasons for the ineffectiveness of the UN Convention.

¹⁶ Alican Tekingunduz. “Are private military contractors any different from mercenaries?” *TRT World*, October 16, 2018, <https://www.trtworld.com/americas/are-private-military-contractors-any-different-from-mercenaries-20680>

In operating outside the traditional bounds of the international system, mercenaries are not recognized as legitimate combatants under the Geneva Convention, the international bedrock body of treaties and protocols of humanitarian treatment, rights and protections afforded to combatants and non-combatants during war. Therefore, in theory, mercenaries are not entitled to the same level of protections as lawful combatants. In practice, the Montreux Document—with the support of its signatories—supersedes the stipulations of the Geneva Convention by recognizing and formalizing the activities of PMSCs. This brings the discussion to one of the paradoxes of the international system as it relates to this growing industry: that individually mercenaries are condemned as self-interested individuals while their collective entities, PMSCs, can operate and legally profit off war, something that was once condemned as war profiteering and is now integrated into the international system.

Private military and security companies are complex organizations and following is a comprehensive definition:

PMSCs are legal, corporate entities [that] provide a professional service, serving as an intermediary between the government and such soldiers so that individual soldiers are not directly contracted by the government in the same fashion as their freelance predecessors were. PMSCs offer a wide variety of services, including diplomatic and reconstruction support, business operations, recovery and military and security services. “Military and security services” range from “protecting people (including military personnel, governmental officials and other high-value targets), guarding facilities to escorting convoys, staffing checkpoints, training and advising security forces to interrogating prisoners”.¹⁷

¹⁷ Cimini, “The Invisible Army.”

This definition accurately evidences the damning extent to which military duties have been outsourced to private hands. Not all PMSCs undertake all such duties, but one example of a leading PMC that has is former Blackwater (now ACADEMI, a Constellis company)¹⁸, which brought the industry to the spotlight worldwide thanks to the role its contractors played in Baghdad’s Nisour Square. On September 16, 2007, four Blackwater men opened fire on a crowd of Iraqi civilians, killing 17 and injuring another 20—and in his last year in office, Trump pardoned them, which should be testament to the impunity that for the most part PMSCs have expected in conducting operations.¹⁹ Until its private contractors were subjected to the same laws and code of conduct as uniformed personnel through the Pentagon’s Uniform Code of Military Justice (UCMJ), Blackwater claimed they were civilians that ought to be immune from civilian litigation given their military role in support of the armed forces.²⁰ This was an attempt to have their cake and eat it too, and PMSCs have benefited significantly from differential treatment despite provisioning services in a similar manner, albeit with non-uniformed personnel. This could be aptly described as hypocrisy, though in many ways it represents the strategic, if not cunning, public relations approaches of these entities in protecting their reputations while avoiding bad publicity and scrutiny from the public.

RISE OF THE PRIVATE MILITARY INDUSTRY

The private military industry provides private military solutions to problems that for some time have been deemed outside of the purview of the private sector. The 1990s, a decade of

¹⁸ Jeremy Scahill, *Blackwater: The Rise of the World’s Most Powerful Mercenary Army*. New York: Nation Books (2007): 14.

¹⁹ Michael Safi. “Trump pardons Blackwater contractors jailed for massacre of Iraq civilians.” *The Guardian*, December 23, 2020, <https://www.theguardian.com/world/2020/dec/23/trump-pardons-blackwater-contractors-jailed-for-massacre-of-iraq-civilians>

²⁰ Scahill, *Blackwater*, 75.

much political turmoil, presented many opportunities that would secure a place in the world for this nascent industry, and for a variety of reasons—in this, the U.S. and South Africa led the way. The fall of the Soviet Union or what U.S. President Ronald Reagan called the “evil empire,” meant several things for the U.S.. Firstly, a drastic reduction in defence spending that translated to a reduction in the number of active military personnel, and consequently an increase in the number of men willing to sell the services they had been trained to provide their government.²¹ Secondly, the outsourcing of military duties to the private sector, a strategic move by the U.S. government, given that the deployment of contractors does not require congressional approval as opposed to the deployment of the military.²² Thirdly, the political and strategic viability of using contractors to fight wars as opposed to uniformed personnel in a time of skepticism and lack of support for military interventions abroad, especially when the potential for loss of life of soldiers existed, and that the public deemed unjustifiable. This was made clear when, as a result of public outrage over the images of dead American soldiers involved in Operation Gothic Serpent being dragged through the streets of Mogadishu, the U.S. government terminated offensive operations in Somalia by presidential decree (i.e. Somalia Syndrome).²³

South-Africa saw similar developments in defence and security matters, albeit in a completely different situation of isolation from the world. After two decades of steadily rising defence budgets, the South African Border War came to a close early in 1990. As a result, defence budgets were slashed year-by-year and especially between the years of 1989-1993, which saw a major reorganization of the South African Defence Force (including major

²¹ The ‘peace dividend’ is questionable given how the private military sector and defence industries have only grown since the fall of the USSR, and exponentially so, at the cost of state militaries. The outsourcing of responsibilities to the private sector, nonetheless, has been argued to be a matter of cutting costs.

²² Cimini, “The Invisible Army.”

²³ Andrew Purvis. “The Somalia Syndrome.” *Time*, May 22, 2020, <http://content.time.com/time/world/article/0,8599,2050145,00.html>

retrenchment of SADF personnel and termination of the nuclear programme).²⁴ It was during these years that one of the of the industry's most iconic firms—Executive Outcomes (EO), founded by former SADF personnel—came to the fore as a pioneer in providing private muscle to its clients, more prominently the governments of Angola and Sierra Leone.

During the Second Angolan Civil War, EO served as a “force multiplier [in] actively [training] and [fighting] alongside the Angolan military with approximately 550 men and an array of military assets,”²⁵ forcing the opposing UNITA back to peace talks in less than two years. In withdrawing from Angola in 1995, EO found itself contracted by the Sierra Leonean government, which had been, since 1991 struggling in a civil war against the Revolutionary United Front (RUF). The government of Sierra Leone feared the RUF would attempt a takeover of the capital Freetown after holding most of the country hostage, but in developing alliances with locals and employing experienced personnel and heavy weapons, EO was able to effectively cripple the rebels within months, facilitating peace talks that demanded an end to their stay in the country. While successful in the short-term by “[serving] as a deterrent to all undemocratic aspirators,”²⁶ EO left a power vacuum when they left Sierra Leone. The RUF saw this as an opportunity to back out of the peace accords, following a coup d'état that saw its leadership rise to power. Common to EO's forays in peacekeepers forced their early departure. In the end, UN missions to both Angola and Sierra Leone “proved inadequate to the task of maintaining peace”²⁷ while EO fulfilled its promises with precision.

²⁴ Peter Batchelor, Paul Dunne and Guy Lamb. “The Demand for Military Spending in South Africa.” *Journal of Peace Research* 39, no. 3 (2002): 344.

²⁵ Christopher M. Faulkner. 2019. “Buying Peace? Civil War Peace Duration and Private Military & Security Companies.” *Civil Wars* 21 (1): 92.

²⁶ *Ibid*, 95.

²⁷ Alan Axelrod, *Mercenaries: A Guide to Private Armies and Private Military Companies*. Thousand Oaks, California: CQ Press, 2014: 207.

Croatia, on the other hand, saw a similarly successful experience during the breakup of Yugoslavia in working with an American PMC—Military Professional Resources Inc. (MPRI)—the difference here being that the PMC was part of the US defence establishment, and as a result, not a target of international pressure, allowing for lasting stability. While not directly involved, the US government used MPRI to modernize and equip the Croat rebels to fight the Serb-dominated Yugoslav People’s Army (JNA). In 1995, this culminated in Operation Storm, a 3-day operation that resulted in the expulsion of Serbian forces from Croatia and Bosnia, eventually bringing the Serbian leadership to the negotiating table.²⁸

By the end of the century, however, the industry would also reveal the dark side of its double-edged character that it is better known for—and the following decade would cement that image. In 1997, Sandline International, a British PMC, would find itself in the middle of a crisis that saw the destabilization of the Papua New Guinean government and a near military revolt after disagreements between the civilian and military leaderships regarding the contracting of Sandline personnel to bring an end to the Bougainville crisis,²⁹ a civil war that erupted between the government of Papua New Guinea and pro-Solomon Islands rebel forces that sought the secession of Bougainville from Papua New Guinea. Mining concessions were a significant factor in the Sandline affair given the Papua New Guinean’s leadership interest in the copper-rich region.³⁰ In the following year, Sandline would find itself in Sierra Leone, importing weapons into the country in contravention to the UN embargo following the RUF’s seizure of power. It is alleged that British Foreign Office officials and the UK High Commissioner to Sierra Leone

²⁸P. W. Singer, *Corporate Warriors: The Rise of the Privatized Military Industry*. Cornell Studies in Security Affairs. Ithaca, New York: Cornell University Press, 2008: 127.

²⁹R. J. May. “THE PNGDF IN TROUBLED TIMES.” In *State and Society in Papua New Guinea: The First Twenty-Five Years*. ANU Press, 2004: 241-243.

³⁰ “The ‘Sandline Affair’: Papua New Guinea Resorts to Mercenarism to End the Bougainville Conflict” in *Yearbook of International Humanitarian Law*, Vol. 1. Cambridge University Press, December 1998.

were complicit with this deal, and the public's awareness of that caused ³¹ Because of this, but especially Blackwater's actions in Iraq, the industry has become synonymous with murkiness, due to disregard for the law and the rules of engagement.

THE TURN OF THE CENTURY & THE INDUSTRY TODAY

The September 11 attacks not only increased U.S. homeland security spending, but P.W. Singer analogizes it as the “internet boom” of the private military industry.³² Indeed, by the 2003 invasion of Iraq, the for-profit U.S. military industry was valued at \$100 billion,³³ and for every ten American servicemembers there was one private military contractor (or one contractor for every three members of the coalition),³⁴ whereas by 2007 there were more contractors than servicemembers—190,000, on a “ratio at least 2.5 times higher than it had been during any other major US conflict.”³⁵ Alternatively, more private contractors were serving in Iraq than non-US coalition forces.³⁶ Military contractors would increasingly find themselves carrying out duties formerly exclusive to military personnel, at first in charge of back-end logistics and general support, medical services, infrastructure, housing and advising. This would gradually shift to active combat roles wherein they would be required to guard embassies, escort convoys and VIPs while armed-to-the-teeth and with access to as much weaponry as regular military personnel, if not more. Nisour Square took place in 2007, following the 2004 ambush in Fallujah

³¹ Yusuf Bangura. “Strategic Policy Failure and Governance in Sierra Leone.” *The Journal of Modern African Studies* 38, no. 4 (2000): 576.

³² Bicanic, Nick and Jason Bourque. “Shadow Company.” YouTube, narrated by Gerard Butler, starring P. W. Singer, Purpose Films, August 23, 2006, <https://www.youtube.com/watch?v=9yCONEdFgWo&list=LL8z-IYMmFvO5nUyJgf9M uTA&index=24&t=2961s>

³³ Barry Yeoman. “Soldiers of Good Fortune.” *Mother Jones*, May/June 2003 issue, <https://www.motherjones.com/politics/2003/05/soldiers-good-fortune/>

³⁴ Scahill, *Blackwater*, 238.

³⁵ Hannah Tonkin, *State Control Over Private Military and Security Companies in Armed Conflict*. Cambridge Studies in International and Comparative Law. Cambridge, U.K.: Cambridge University Press (2011): 1.

³⁶ Bicanic, Nick and Jason Bourque. “Shadow Company.” YouTube, narrated by Gerard Butler, starring P. W. Singer, Purpose Films, August 23, 2006, <https://www.youtube.com/watch?v=9yCONEdFgWo&list=LL8z-IYMmFvO5nUyJgf9M uTA&index=24&t=2961s>

by Iraqi insurgents that resulted in the death of four Blackwater men, whose charred corpses were hung over the bridge crossing the Euphrates.³⁷ By 2005, however, the private military and security industry, under the unofficial leadership of Blackwater, had “crossed the line from pure mercenaries to strategic partners with the military-industrial complex.”³⁸ The U.S. government, in talks with Azerbaijan about access to its Caspian oil and gas reserves, would send Blackwater to train an Azeri force modelled after the Navy SEALs and through this facilitate further military and economic partnerships.³⁹ According to Visiongain, a British market research and consulting firm that published the *Private Military & Security Services (PMSCs) Market Report 2020-2030*, by 2030 the industry is estimated to be worth around \$457.3 billion.⁴⁰

The private military industry operates under secrecy for the most part, but even more cryptic are the Russian and Chinese players that have risen to the task. Two years into the Syrian civil war, reports came out about the Slavonic Corps, a Hong Kong-based private military firm that had been recruiting Russians to serve in Syria. These contractors were to serve as rear-echelon troops by “[securing] key regime assets.”⁴¹ The legacy of the Slavonic Corps was short-lived, with only one failed mission on record and a return to the home country unpaid. Because PMCs are officially illegal under the Russian constitution, which “reserves all matters of defence, security and foreign policy for the state,”⁴² there was no legal recourse for these men, at least explicitly. Then, during the 2014 annexation of Crimea, “little green men” donning

³⁷ Jeffrey Gettleman. “Enraged Mob in Fallujah Kills 4 American Contractors.” *The New York Times*, March 31, 2004,

<https://www.nytimes.com/2004/03/31/international/worldspecial/enraged-mob-in-falluja-kills-4-american.html>

³⁸ Scahill, *Blackwater*, 243.

³⁹ *Ibid*, 276.

⁴⁰ “Private Military & Security Services market to total USD 457.3 billion in 2030.” *ASD Reports*, February 19, 2020,

<https://www.asdreports.com/news-29618/private-military-security-services-market-total-usd-4573-billion-2030>

⁴¹ “The Last Battle of the “Slavonic Corps”.” *The Interpreter*, November 16, 2013, <https://www.interpretermag.com/the-last-battle-of-the-slavonic-corps/>

⁴² Paul Stronski. “Implausible Deniability: Russia’s Private Military Companies.” *Carnegie Endowment for International Peace*, June 2, 2020, <https://carnegieendowment.org/2020/06/02/implausible-deniability-russia-s-private-military-companies-pub-81954>

nondescript Russian uniforms annexed the peninsula without firing a shot with the support of a Russian PMC that was then largely unknown to the world, and which today is synonymous with Russian geopolitical ambitions and war crimes: Wagner Group. Wagner is a state-sponsored PMC and its leadership has deep ties with the Russian state. Its track record includes: in Syria, fighting alongside Assad's forces;⁴³ in the Central African Republic, training the military and fighting rebels;⁴⁴ in Venezuela, serving as advisors to the Maduro regime.⁴⁵ Wagner has also been present in the two eastern secessionist republics of Ukraine (Donetsk and Luhansk), Sudan, Madagascar, and other African countries, often siding with regimes that are opposed to the West and supported by Russia and its allies. The "illegality" of PMCs under Russian law thus proves not more than a façade, seeing that Wagner operates only in support of allies of the Russian state. The recent death of Yevgeny Prigozhin and Dmitry Utkin, Wagner's top leadership, following the feud with President Vladimir Putin and Minister of Defence Sergei Shoigu, and recent brokerage of a deal by Belarusian President Aleksandr Lukashenko to secure a new homebase for Wagner in Belarus, leaves the future of Wagner unclear.

The Chinese, on the other hand, have been building up their private military companies since the announcement of the Belt and Road Initiative (BRI), the Chinese Communist Party's global and monumental infrastructure development project that seeks to further entrench China's economic position in the world by "[promoting] economic development and inter-regional connectivity."⁴⁶ In other words, the financing of infrastructure projects in 149 countries,

⁴³ "Russian Mercenaries in Syria." *Warsaw Institute*, April 17, 2017, <https://warsawinstitute.org/russian-mercenaries-in-syria/>

⁴⁴ Nosmot Gbadamosi. "Will Russia's Ukraine Invasion Impact the Central African Republic?" *Foreign Policy*, April 6, 2022, <https://foreignpolicy.com/2022/04/06/russia-ukraine-war-central-african-republic-wagner-group/>

⁴⁵ "Band of Brothers: The Wagner Group and the Russian State." *Center for Strategic & International Studies*, September 21, 2020, <https://www.csis.org/blogs/post-soviet-post/band-brothers-wagner-group-and-russian-state>

⁴⁶ Meia Nouwens, "China's use of private companies and other actors to secure the Belt and Road across South Asia." *International Institute for Strategic Studies*, April 29, 2019, <https://www.unep.org/regions/asia-and-pacific/regional-initiatives/belt-and-road-initiative-international-green>

including China itself. With nearly a million Chinese citizens working abroad and 16,000 companies with ties to China spread around the world,⁴⁷ It only follows that security is fundamental to protect Chinese interests overseas.⁴⁸ Given the BRI's scope, it also follows that the New Silk Road (what the BRI is otherwise known as) could become a target for terrorists or other states. For instance, three Chinese officers from China Railway were killed by local Malian terrorists in November 2015, and in 2017 two Chinese teachers were beheaded in Pakistan by ISIS.⁴⁹ Moreover, as a response to anti-African racism in China during the early days of the COVID pandemic, irate Nigerians took to the streets to burn down Chinese-owned businesses.⁵⁰ This is a story that would have likely had a different outcome had they been under protection.

THE INCOMPATIBILITY OF PMSCs WITH A LIBERAL WORLD ORDER

Since neoliberal economics have a stranglehold over much of government policy and international institutions, it holds that unfettered competition and laissez-faire are second to none. From a neoliberal perspective, and without getting into the technicalities of economics, competition is seen as fundamental for the continued development of healthy markets and economies, with the lack thereof leaving consumers in the hands of corporations that may monopolize the provision of goods and services, leading to the stagnation of the economy and consequently, a decrease in the quality of life of citizens. Laissez-faire, on the other hand, holds that the smaller the state's presence in the market, the better it will be governed by purely

⁴⁷ "The Belt and Road Initiative International Green Development Coalition (BRIGC)," *UN Environment Programme*, <https://www.iiss.org/online-analysis/online-analysis//2019/04/china-bri>.

⁴⁸ Andrew Erickson and Gabe Collins. "Enter China's Security Firms". *The Diplomat*, February 21, 2021, <https://thediplomat.com/2012/02/enter-chinas-security-firms/>

⁴⁹ Alessandro Arduino. "China's Private Army: Protecting the New Silk Road." *The Diplomat*, March 20, 2018, <https://thediplomat.com/2018/03/chinas-private-army-protecting-the-new-silk-road/>

⁵⁰ Johnlee Varghese. "Nigeria Video: \$2 billion worth Chinese business park vandalized to protest attacks on Africans in China." *International Business Times*, April 22, 2020, <https://www.ibtimes.sg/nigeria-video-2-billion-worth-chinese-business-park-vandalized-protest-attacks-africans-china-43484>

economic factors and principles (i.e. the invisible hand). This is understood and followed by consumers who seek to maximize gain by minimizing cost. Following that logic as it pertains to the contract structure and intra-sector competition of PMCs, it only follows that these entities seek to maximize profits by minimizing cost and providing the best service to clients.⁵¹ For that reason, PMCs are very much a perfect example of neoliberalism in action. This paints a picture that the lofty, morally superior ideational claims of liberalism are trumped by profits, and that indeed the liberal-rules based order system is a façade for what is truly the setting of a neoliberal order. This is so because one of the main ideas behind the liberal framework is cooperation instead of competition. A free market of private militaries inspires not cooperation but competition, and as Russian and Chinese players grow in size and share of the market, there exists the potential that they will get more assertive, causing tensions to escalate. In this sense, PMCs present a slippery slope of self-determination (all very liberal goals), how over time they increasingly became tools in service of clients, often governments. Traditionally, in doing so with uniformed personnel, the state was liable for their actions and ramifications thereof. Again, this became clear during the U.S. intervention in Somalia in 1993, when the American public saw U.S. soldiers being dragged down the streets of Mogadishu by irate locals. The fear of casualties signified to U.S. foreign policy a retreat inward. PMCs, playing by different rules, afford governments a degree of plausible deniability when things go awry or backfire, but also a path to projecting power and undermining adversaries' influence abroad. This, within a neoliberal context, created a demand for private military and security services. Russia and China, while not prime examples of neoliberal states—Russia the foremost oligarchic state and China a crony capitalist economy—employ the same strategy for those reasons, albeit outside of the

⁵¹ Tkach, Benjamin. "Private Military and Security Companies, Contract Structure, Market Competition, and Violence in Iraq." *Conflict Management & Peace Science*, vol. 36, no. 3 (May 2019): 291–311.

neoliberal understanding of the world. In the case of Russia, Wagner has been fundamental to projecting Russian influence and military power internationally, whereas China, in lieu of deploying the PLA, has deployed private military actors domestically more than internationally. Notwithstanding, private military entities in China have Chinese characteristics: they are either "independent" PMSCs that receive funding from the state, or work under contract for the Chinese government (security contractors, too, may work directly for state-owned companies).⁵²

Furthermore, while it's true that the relationship between the state and PMSCs discussed here does imply cooperation over competition, the relationship between PMSCs and states is unlike that between the state and NGOs, international organizations, and multinational corporations, among others. This is because PMSCs are taking over roles formerly strictly fulfilled by the state instead of filling in the vacuum that NGOs fill through humanitarian missions, or that multinational corporations fill by bolstering economies or meeting the demand for goods or services. In other words, PMSCs undermine the role of the state by operating in a jurisdiction of national defence and security that is traditionally understood to be restricted to the State, and not the private sector—and all of this is done in the name of neoliberalism, ever concerned with dollar figures and reducing government spending. In the short-term, the state is relieved of what it sees as a financial burden whereas in the long-term, in respect to national security, the state becomes dependent, and potentially a hostage to the private sector. This relationship of dependence is arguably anathema to the security of the state itself.

Liberalism, theoretically, ought to be naturally antagonistic to an industry that profits and sees no reason to do away with war—and indeed the same logic that governed the lives of military enterprisers such as Wallenstein, who could prolong wars through his desire to enrich

⁵² Max Markusen. "A Stealth Industry: The Quiet Expansion of Chinese Private Security Companies." *Center for International Studies*, January 12, 2022, <https://www.csis.org/analysis/stealth-industry-quiet-expansion-chinese-private-security-companies>

himself, applies to PMSCs. Respect for human rights, so foundational to the ethos of the West, is also seriously incompatible with the profit-seeking ventures of PMSCs, and for the most part their track record regarding that has been rather poor lately: the trajectory of Blackwater and Wagner are only two examples. This industry is only compatible with a liberal world order if its drive for profits comes from the Magna Carta of human rights, and regarding the private military and security industry, what is known is that profits have often preceded respect for others.

CONCLUSION

The leadership of the Free World does not seem to have realized the implications of the corporatization of conflict, and how much of a threat it poses to its purportedly—and as understood by most—liberal existence. The creation of demand for the provision of military and security services plausibly denies them, as well as project power abroad—including the support of allies—and undermine adversaries' ambitions. Corporate-led globalization is as much of a threat to the West as are Russia and China, which recently have made inroads into the business that had until recently been dominated by Western firms that serve the needs of the military industrial complex. Amara Law states that “we tend to overestimate the effect of a technology in the short run and underestimate the effect in the long run,”⁵³ and this may just accurately describe the conundrum posed by PMSCs. It is hard to estimate what the long-term growth of the PMSC industry will look like and how it will affect the world. Nonetheless, the frequent abuses and due disregard that we are already aware of should paint a picture of what the potential consequences of their growth may look like in the future.

⁵³Doc Searls. *The Intention Economy: When Customers Take Charge*. Boston, Massachusetts: Harvard Business Review Press (2012): 257, <https://archive.org/details/intentioneconomy0000sear/page/n7/mode/2up>

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