Publicly Available Information on the Private Military and NGO Relationship: A Case Study

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Publicly Available Information on the Private Military
and NGO Relationship: A Case Study

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Abstract

Private Military and Security Companies (PMSCs) arose as part of a larger phenomenon of privatizing security after the Cold War. These companies operate all over the world and are even active in areas such as humanitarian aid. Increasing concerns over NGO security have led NGOs to contract with PMSCs. Concerns over how these relationships are carried out and how they affect the administration of aid exist, in part to the lack of information on such relationships. This paper will look at two NGOs and two PMSCs and the information publicly available on their contracts in security and humanitarian aid.
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**Introduction**

International news is often focused on armed conflict and crises: Sudan, Myanmar, the Democratic Republic of the Congo, Ukraine, and many more. These conflicts have varying reasons for surfacing: ethnic cleansing, resource conflict, religious tension, etc. Yet, in each of these conflicts, humanitarian aid nongovernmental organizations (NGOs) can be found. These organizations provide food, shelter, security and other services to vulnerable and conflict-stricken civilian populations. They operate on the principle of neutrality in order to not sway the balance of the conflict in either direction (Security Management Initiative, 2009). Operating in conflict areas is bound to be dangerous, so how do NGOs ensure their safety? Many hire private military and security companies (PMSCs).¹ "There is little to no quantitative or qualitative information about the use of private security companies by aid agencies and the nature of the services that are contracted by them", leaving a hole in the body of literature regarding NGOs contracts with PMSCs (International Alert, 2002, p. 9).

Adding a military component to a field based on neutrality and the alleviation of human suffering is bound to alter the social and political environment in which NGOs work and how they administer services. In International Alert’s *Humanitarian Action and Private Security Companies: Opening the Debate*, the hiring of PMSCs by NGOs is described as

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¹ These companies are known by many different names. Common names include: private military and security companies (PMSCs), private military companies (PMCs), private security companies (PSCs), private Security providers (PSPs), private combat companies (PCCs), and private military firms (PMFs). This paper will be using PMSC, as it encompasses a larger variety of companies than the other terms.
“Making security no longer an entitlement but a luxury for those who can afford to pay for it” (International Alert, 2002, p. 10).

The relationship between PMSCs and humanitarian organizations is a peculiar one. These organizations have conflicting missions. Aid organizations are driven by the mission to alleviate human suffering and act on moral principles and are generally firm believers in their role as neutral actors (Love, 2000; Security Management Initiative, 2009). PMSCs are first and foremost profit-driven organizations that take on what is traditionally a governmental function of security (Geneva Centre for the Democratic Control of Armed Forces, 2006). Despite their differences in foundational principles, humanitarian organizations still contract PMSCs. While they diverge in principle, facts on the ground make the security services PMSCs provide vital for many humanitarian organizations to continue their operations in conflict zones.

In recent years humanitarian aid organizations have been confronted with what is called “shrinking humanitarian space” (Maisel, 2016). They are being pushed out of their workspace through targeting by hostile groups or individuals. Attacks on humanitarian NGOs have become even more prevalent since the U.S. war in Iraq and Afghanistan (Overseas Development Institute, 2009). Aid worker attacks jumped from approximately 130 in 2011 to almost 450 in 2013 (Hoelscher, Nygård, & Mikljan, 2017). An example of such attacks is the 2004 targeted assassination of five Doctors Without Borders staff members in Afghanistan (Maisel, 2016). In 2008, 122 aid workers across the globe were killed and even more severely injured or kidnapped (Overseas Development Institute, 2009; Singer, 2010). ISIL has released multiple beheading videos of western aid workers (Maisel, 2016). This can be attributed to what many call the shift from the ‘acceptance’
model. As described by International Alert, the ‘acceptance’ model is when armed actors recognized the right of aid workers to operate. In recent years there has been a shift away from this as aid organizations become more politically active in advocating for human rights (International Alert, 2002).

In addition to advocacy, the NGO’s association with PMSCs may cause them to forsake their neutral ground (Singer, P.W., 2006). Local PMSCs may have connections to the initiators of the conflict as well as corrupt governments or militaries. Many NGOs do not necessarily know who they are hiring (International Alert, 2002). Oxfam hired a local PMSC in Colombo, Sri Lanka after an attack on its offices. It remains unknown whether or not the local PMSC hired to guard the Oxfam compound had any connection to either side of the Sri Lankan civil war (International Alert, 2002).

Understanding what information about PMSCs is available to NGOs; how they regulate their own interactions with PMSCs; and what information they provide to the public is extremely important. Not knowing exactly who they are getting can result in unintended consequences in conflict environments; if an NGO hires a local PMSC, this PMSC may have ties to one side of the conflict, therefore, compromising the NGO’s neutrality and causing the NGO to unknowingly have its money support conflict. It is important for humanitarian aid NGOs to know who they are hiring so that they can keep their neutrality and uphold the values their organizations stand for. NGOs are often criticized for their way of dealing with PMSCs, as many have no standardized internal policies for hiring PMSCs (Security Management Initiative, 2009). Additionally, sharing at least some of this information publicly can help keep both NGOs and PMSCs accountable.
The point of this research is to answer the question – What information is publicly available regarding PMSCs, NGO processes for hiring PMSCs and simply NGO dealings with PMSCs in general?

**Literature Review**

The goal of humanitarian aid is to alleviate human suffering (Chaulia, 2011). In the early 2000s, the concept of “responsibility to protect” which expanded the concept of aid became widespread. The responsibility to protect specifically focused on the state and humanity’s job to protect those affected by genocide, natural disasters, armed conflict, famine, etc. (Mychajlyszyn, 2005). State intervention, diplomatic and military, in crisis, became more accepted and states began to put more money into humanitarian aid to stop things such as genocide, armed conflict, war crimes and the like. Annual spending in recent years for humanitarian assistance has reached $14 billion, much of which goes to NGOs; most of this aid is focused on conflict zones (Wood, 2015).

**NGOs and Humanitarian Aid**

Before the end of the Cold War, humanitarian intervention and aid were dominated by states; now non-state actors play a huge part in humanitarian aid (Shaw, 2005). Nongovernmental Organizations (NGOs) are involved in a plethora of fields such as: education, health, agriculture, environmental advocacy, and arms control. NGO accountability usually revolves around funding. NGOs are non-profit and funded by a mix of the public, governments, and corporations. Resources such as money raised or donated in reinvested into the organization and its projects: "...the resources generated are
reinvested in the community. Profit is not the organization’s primary goal but a means to achieve the NGOs goal. .” (Love, 2000, p.75). Despite being funded by governments, NGOs generally have control over what kinds of projects they conduct and where they conduct them. Most of these organizations operate on a set of moral principles, giving them more validity in the eye of the public (Love, 2000). Within their set of moral principles, most humanitarian aid NGOs include the principle of neutrality (Security Management Initiative, 2006). They do not aim to influence the conflict in any direction, only to alleviate the suffering of civilian populations.

“FIGURE 1. Funding of international Humanitarian Assistance.”

At the end of the Cold War, state-based humanitarian intervention and aid, while still existent, took a back seat to that of private organizations like NGOs (Mychajlyszyn, 2005). Humanitarian aid is still mostly funded by governments, but not necessarily directly done by them, many choose to give to NGOs that specialize in whatever service they wish to support (Development Initiatives Ltd., 2017). The “Global Humanitarian Assistance Report 2017” puts private funding for international humanitarian assistance at 22-26% from 2012-2016 (Development Initiatives Ltd., 2017). As funding increased after the Cold War, more NGOs popped up looking to administer humanitarian aid with said funding. Some of the most recognizable aid organizations in the West that came out of a boom in NGOs starting in the late 1970s are: Oxfam International, founded in 1995, Doctors Without Borders, founded in 1971, and Save the Children, founded in 1979 (Union of International Organizations, 2017).

“FIGURE 2. Number of NGOs Over Time.”
With the wide array of services (medical care, food, agricultural training, education, and shelter) that the variety of NGOs provide, they are strongly involved in humanitarian aid. Many offer their services in areas of conflict or those of failing states that cannot provide for the civilians (Love, 2000; Wood, 2015). Their resources are prized by civilians and combatants. NGO operation in conflict zones can often cause them to be targeted for their resources (Wood, 2015). Increasing attacks on NGOs have led NGOs to contract Private Military and Security Companies (PMSCs) for protection.

“FIGURE 3. Attacks on Aid Workers Over Time.”

Private Military and Security Companies (PMSCs)

A PMSC is defined by the Geneva Centre for the Democratic Control of Armed Forces as "businesses that offer specialized services related to war and conflict, including combat operations, strategic planning, intelligence collection, operational and logistical support, training, procurement, and maintenance" (DCAF, 2006). Many other scholars also focus their definitions of PMSCs on the services they provide (Carmola, 2010; Crowe & John, 2017; Liu, 2009; Kinsey, 2006; Ortiz, 2010; Singer, 2003). The use of PMSCs is widespread and their existence challenges the traditional view of security and the legitimate use of force as being solely derived from the state (Carmola, 2010; Crowe & John, 2017). PMSCs are globally active; the Private Military industry rakes in over US$100 billion in annual global revenue (Singer, 2004). Private Military and Security Companies became prominent after the end of the Cold War, as part of a larger phenomenon of privatizing security (Kinsey, 2006; Nandi & Mohanty, 2010; Singer, 2003). In P.W. Singer’s book “Corporate Warriors”, he lists factors after the Cold War that contributed to the privatization of
security and therefore the rise of PMSCs. Such factors include: the fall of states such as Sierra Leone, the growth of international markets, new cross-border conflicts, downsizing of militaries, and the rise of non-state actor violence with groups like Al-Qaeda and FARC. The downsizing of military leads to older military equipment being auctioned off and additionally leaves former military personnel jobless many of which become PMSC employees (Singer, 2003).


Scholars often talk about how difficult categorizing PMSCs is, specifically because of how they offer such a wide variety of services (Carmola, 2010; Crowe & John, 2017; Liu, 2009; Kinsey, 2006; Ortiz, 2010; Singer, 2003). The DCAF definition holds similar elements to those that other scholars touch on; often definitions include war-related services, profit-driven companies, and corporate structure, all of which the DCAF backgrounder on PMSCs covers (Carmola, 2010; Kinsey, 2006). The services offered and profit-driven aspects of PMSC are key to understanding how they function. A large number of PMSCs are based in the United States and the United Kingdom; a considerable amount of their services are contracted by these countries as well (Kinsey, 2006). Some of the most well-known PMSCs are: ArmorGroup, Southern Cross (formerly Executive Outcomes), DynCorp, and MPRI.

PMSCs offer a wide variety of services, but who is hiring them? These companies are often contracted by governments, NGOs, Inter-governmental Organizations (IGOs), and Multinational Corporations (MNCs). Despite the dangers of conflict zones many MNCs, particularly those interested in oil and minerals, still work in conflict-ridden countries. They hire PMSCs to decrease the danger of operating in such places (Singer, 2003). The U.S. government has contracted PMSCs such as MPRI, Armor Group, Brown & Root Services.
The government of Sierra Leone contracted Executive Outcomes, now Southern Cross. NGOs such as CARE, Oxfam, and the International Committee of the Red Cross (ICRC) have also contracted PMSCs (International Alert, 2002; Singer, 2003). IGOs such as the European Commission and agencies within the United Nations have contracted PMSCs such as DynCorp, MPRI, and Armorgroup International (International Alert, 2002; Malamud, 2014).

PMSCs are also common in UN Peacekeeping operations and humanitarian aid operations (Crowe & John, 2017). An example of the UN contracting PMSCs can be seen with the UN Assistance Mission for Iraq which hired Global Strategies Group in 2003 and Hart Security in 2011 (Ostensen, 2013). Crowe & John state that PMSCs have been used “in almost all UN peacekeeping, development and humanitarian operations since 1990.” (2017: 21). The UN contracts PMSCs for almost all the services they provide: logistical support, security guards, training, strategic planning, combat operations. In some cases, states will hire PMSCs to be part of a peacekeeping operation in lieu of their own forces (Crowe & John, 2017).

Controversy Surrounding PMSCs

Private Military and Security Companies are riddled with controversy and scandals. Concerns over human rights abuses, what governments are using PMSCs for, and who else PMSCs are contracted are all of the interest (Singer, 2004). Singer mentions PMSCs employment by “dictatorships, rebel armies, terrorist groups, and drug cartels” as serious concerns (2004: 523). Some of the most well-known PMSCs, such as Blackwater, Executive Outcomes (EO), and Military Professional Resources Incorporated (MPRI), all have their
own controversies. This is important to note as it plays into why NGOs are so adverse to talking about their relationships with PMSCs.

MPRI is well known for contracting with the U.S. government in places such as the former Yugoslavia and for hiring mostly former U.S. military personnel (Singer, 2003). MPRI is regularly criticized for potentially being a private extension of the U.S. government. In “Corporate Warriors,” Singer states that MPRI has often seen high-level U.S. intelligence reports; one specific incident that gave rise to this was private arms dealers used to arm the Nicaraguan Contras and Afghan Mujahideen were also being used to arm the Croat military, “in violation of the UN weapons embargo” while MPRI was working with the Croat military (2003: 121).

Executive Outcomes was a UK-South African based PMSC that disbanded in 1999 and was later incorporated as Sandline and Southern Cross (International Alert, 2002; Carmola, 2006). It was hired by both the Angolan and Sierra Leonean governments to fight rebel forces. The controversy around EO also stems partially from their attachment to their home government. It was said that the UK government “gave tacit approval to EO’s operation, and allowed it to circumvent Parliamentary policy.” (Carmola, 2006: 2). EO was also criticized for illegally supplying weapons to the government of Sierra Leone and for its ties to apartheid South Africa, during which it was accused of human rights violations (Carmola, 2006; Singer 2003).

Blackwater is probably one of the most well known American-based PMSCs. This PMSC changed its name to Xe Services in 2009 after an incident the company had in Iraq. In 2007, Blackwater contractors started a firefight in Baghdad’s Nisour Square. While Blackwater contractors said they were attacked, many witnesses say that the contractor
started firing on a civilian’s car. The fighting resulted in the deaths of approximately 20 Iraqi Civilians (The Brookings Institute, 2007). Blackwater Security guards were later tried and convicted for the civilian deaths. The company was never able to recover its reputation.

**Legality and Regulation of PMSCs**

One of the largest areas of study when it comes to PMSCs is their legality and their regulation under international and domestic law. PMSCs are poorly regulated by both individual states and the international community (Danish Institute for International Studies, 2011). States, policymakers, and international organizations are generally unsure of what the status of PMSCs and their personnel are in international conflicts. The discussion of PMSC accountability is prevalent in academic circles and with policymakers (Carmola, 2010).

PMSCs’ status in conflict zones is unclear. The term mercenaries are often used as an alternative to PMSCs, though widely debated (Carmola, 2010; Liu, 2009; Singer, 2004). A few distinct features of Private Military and Security Companies challenge the idea of them being typical mercenaries. In particular their corporate structure and group structure (Singer, 2004). Additionally, Singer states that anti-mercenary laws were meant to regulate the trade of military services, not to prohibit them (Singer, 2004).

Mercenary law is often discussed in regard to PMSCs, though it pertains only to states, it is important in understanding the discourse around PMSCs. A state’s relationship with mercenaries is laid out in the United Nations 1989 International Convention Against the Recruitment, Use, Financing and Training of Mercenaries and the boundaries in place
This Convention lays out a definition of a mercenary and says that no state can engage in the activities in the title. States must further prevent these activities within their territories, in turn affecting non-state actors. H.Y. Liu explores this and where PMSCs stand under International Humanitarian Law, in *Leashing the Corporate Dogs of War: The Legal Implications of the Modern Private Military Company* (2009). Liu states that PMSC personnel would be considered unlawful combatants and therefore considered civilians under international humanitarian law (IHL) and as such “may be persecuted for national crimes” and are accountable for any war crimes committed (2009: 157). According to Maisel, PMSCs cannot have combatant status under the Geneva Convention as they are not state actors; They also do not qualify for civilian status as they are armed and often work in a protective capacity (2016). The U.S. government considered PMSC employees in Iraq non-combatants and Gillard discusses their status and says that most PMSC employees cannot be considered combatants (Cameron, 2006; Gillard, 2006).

In 2008, at the urging of the Swiss government, the International Committee of the Red Cross came out with the *Montreux Document: On Pertinent International Legal Obligations and Good Practices for States Related to Operations of Private Military and Security Companies during Armed Conflict*. This document is “… intended to promote respect for international humanitarian law and human rights law wherever PMSCs are present in armed conflict” (p. 31). Not only does it remind states of their obligation under international law, it also reminds PMSCs and their personnel that they do not operate in a “legal vacuum” (p.38). Currently, there are 53 participatory states in the Montreux Document (The Federal Department of Foreign Affairs (FDFA), unknown).

“FIGURE 5. Montreux Document Participatory States in Blue.”
The PMSC-NGO Relationship

Due to increasing security concerns, many humanitarian organizations hire PMSCs for protection and logistics (Singer, 2003). A 2008 study showed that 41% of “major humanitarian organizations” had contracted protective armed services within a year (Singer, 2010). Organizations such as Oxfam, Save the Children, CARE, and the International Committee of the Red Cross have all hired PMSCs (Singer, 2006; Singer, 2010). “Private Security Contracting in Humanitarian Operations” documents the types of services Humanitarians contract PMSCs for can be seen.

“FIGURE 6. Services PMSCs are Contracted for.”

NGOs are poorly regulated and therefore the process they go through to hire PMSCs is also poorly regulated and nontransparent. Most NGOs do not have established guidelines for hiring or interacting with such companies (Security Management Initiative, 2009). Many NGOs will hire a specific PMSC simply because another NGO had previously done so, without doing their own research on the company (International Alert, 2002). “In 2002, Vaux et al. found that 20 agencies had no policies on usage, and in 2008 the picture was remarkably similar: ‘policies and organizational guidance do not yet exist on how best to identify, vet, hire, oversee and manage the work of security contractors (local or international)’” (Security Management Initiative, 2009: 8). The lack of NGO internal standardization for hiring PMSCs does not help with the regulation of PMSCs or holding them accountable (Security Management Initiative, 2006).

More recently there has been research done on how the administration of aid by NGOs can lead to prolonged conflict (Wood, 2015). As an example, one result of hiring...
security is called ‘crime displacement.’ This phenomenon is when those that can afford security purchase services and force crime onto poorer groups that cannot afford to purchase security (Vaux, 2002). The body of literature on the NGO-PMSC relationship is mainly descriptive and outlines reasons why the relationship is increasingly common. While it is widely known that NGOs hire PMSCs because of their increased security concerns, how this relationship changes the environment the NGO operates in is less researched (Maisel, 2016).

As most of the literature surrounding PMSCs is on what they are and how they are regulated, this study looks to do something different. This paper aims to shed light on what information is publicly available regarding the PMSC-NGO relationship and so fill-in the holes in the limited information regarding Private Military and Security Companies (Deloffre, 2016; Singer, 2004).

**Methodology**

The best way to answer the question of the how NGOs go about hiring PMSCs and where they get information on PMSCs is through a case study; Focusing on a few specific NGOs allows for an in-depth look at publicly available information on their internal policies. Collecting statistical information on PMSCs is extremely difficult, as they are usually unwilling to share information on their work. This is in part to the scandal and controversy over the use of PMSCs and how damaging they can be to an NGO’s reputation (Roberts, 2005). Any blow to an NGO’s reputation can lead to interference with their projects and decreased funding. Since it is known that NGOs are so unwilling to share information about their connections with the general public, this subject goes relatively
unstudied leaving a gap in NGO accountability. NGO published documents regarding their operations, academic material, and open source materials can give a well-rounded preliminary look at the NGO-PMSC relationship. The case study method fits particularly well because it will provide a much-needed in-depth look at real NGO-PMSC relationships (Gerring, 2007).

This paper will go over four cases: two NGOs that have relationships with PMSCs and two PMSCs that have been contracted by humanitarian aid NGOs. Two NGOs and two PMSCs were chosen so that a small variety of organizations can be analyzed while still paying mind to the time constraints of an undergraduate thesis and the limits to these case studies. The below requirements were set to ensure that the studied NGOs and PMSCs fit the parameters of the research question.

The NGO cases selected for this paper fulfill the following set of requirements.

1. The contracting organization must be an international humanitarian aid NGO.
2. At the time of the case, the NGO must be working in a conflict zone.
3. The NGO must also not be working with a foreign government.
4. Have contracted a PMSC.

Based on these criteria, the two NGO cases chosen are:

- Oxfam, which is known to have hired a local PMSC in Colombo, Sri Lanka.
- The International Committee of the Red Cross, which is known to have hired Defense Systems LTD./ArmorGroup in Kinshasa, DRC.

These four criteria ensure that the NGO works in the realm of humanitarian aid in an area of the world in which PMSC would be needed. They were chosen because this study is looking for NGOs hiring PMSCs without the involvement of traditional military.
Government contracting of PMSCs is better documented than that of NGOs and this paper specifically looks at the PMSC-NGO relationship and its role in humanitarian aid.

Both Oxfam International and the International Committee of the Red Cross (ICRC) are well known international NGOs that administer humanitarian aid all over the world. They are two of the largest NGOs and are therefore not necessarily representative of all NGOs. Both have known connections with PMSCs in conflict zones as well, Oxfam in Sri Lanka and the ICRC in the Democratic Republic of the Congo (DRC). Since both organizations operate on a large scale there is more information about them available.

The PMSC cases for this paper fulfill the following set of requirements:

1. International PMSC: Based in one country and working in many others, not a small local PMSC or warlord.
2. Have been contracted by a humanitarian aid NGO.
3. Work in a conflict zone with said NGO.

Based on this criteria, the two chosen PMSC cases are:

- Blackwater, now Xe Services, working with NGOs in Pakistan.
- Executive Outcomes, now Southern Cross, Operating with NGOs in Sierra Leone.

These criteria are broad but ensure that the chosen PMSCs have been contracted by humanitarian aid NGOs in conflict zones. Local PMSCs add another layer to a conflict, as they are often associated with a specific side of a conflict. They are also not likely to have information about their relationship as part of public knowledge. International PMSCs have more available information. Blackwater, now Xe Services, and Executive Outcomes, now Southern Cross, are two of the most well known Private Military and Security companies (The Brookings Institute, 2007; Singer, 2004). They have long histories and
have participated in all sorts of conflicts including humanitarian aid operations, making them ideal cases.

Limits to the case study include the availability of information, as previously mentioned. As NGOs are non-governmental, they are not held to the same level of accountability that a government is. Since the publicity around a PMSC-NGO relationship can damage the reputation of an NGO, not much is made available to the public or documented at all. International Alert ² found that this has even led some NGOs to falsely deny any involvement with PMSCs (2002). “There is little to no quantitative or qualitative information about the use of private security companies by aid agencies and the nature of the services that are contracted by them” (International Alert, 2002, p. 9). On top of that NGOs are unable to find much information on the PMSCs they wish to hire, as PMSC accountability is even lower than that of NGOs. This lack of available information will limit the scope or depth of the study. This paper will provide a preliminary look at existing NGO standards and procedures for hiring PMSCs and how NGOs obtain information on PMSCs. Further study into the effects of PMSC in humanitarian aid will be needed. This paper can only provide a small slice of the big picture.

Case Study 1: Oxfam

Oxfam International (OI) was founded in 1995 and was established by the Oxford Committee for Famine Relief. The Committee itself was founded in Britain in 1942, for the purpose of sending food to people in enemy-occupied Greece during WWII. Oxfam

² International Alert is an NGO that works on peacebuilding activities in conflict zones and publishes material on the subjects of conflict and peacekeeping studies (International Alert, Unknown).
International describes itself as an “international confederation of 20 organizations” (Oxfam International, 2018). Oxfam works in over 90 countries. Its funding comes from a variety of sources; it is important to note that OI, unlike the International Committee of the Red Cross, reports more public funding raised than institutional funding raised in the 2015-2016 year showing less monetary connection to governments (Oxfam International, 2016).

“FIGURE 7. Oxfam International's Area of Operations.”


The goal of Oxfam is to eradicate poverty. It conducts projects in women's rights; forest management and other natural resource management; sustainable agriculture; inequality; and mitigation of disaster and conflict (Oxfam International, 2018). Currently, Oxfam International’s list of crisis areas includes: Haiti, Ecuador, the refugee crisis in Europe, the Lake Chad Basin region in West Africa, Syria, Gaza, Yemen, Ethiopia, and South Sudan (Oxfam International, 2018). Many of these countries are reported in Oxfam International’s Annual Report for 2015-2016 as having the highest program expenditures.


Many of these countries are considered active conflict zones. Such conflict zones lead NGOs to contract PMSCs for security services. After an attack on the Oxfam compound in Colombo, Sri Lanka, Oxfam hired a local PMSC for compound security (International Alert, 2002). International Alert states that Oxfam hired this local PMSC because it had been previously hired by other NGOs in the area (2002). Hiring a PMSC is controversial due to most armed groups having connections to either the government of the Liberation
Tigers of Tamil Eelam (LTTE) in the Sri Lankan civil war, therefore compromising Oxfam's neutrality.

In regards to publicly available Oxfam documents on internal procedures for hiring private military and security companies, not much could be found. International Alert does mention that:

Oxfam is perhaps unusual in employing a Security Adviser from within the organization rather than from a professional security background. But Oxfam's main approach to limiting security risks has been to instill greater discipline in relation to reporting incidents, keeping to procedures and referring cases to higher levels of management. (2002: 31)

Oxfam websites included a few documents on military interaction and involvement in international aid such as: “OI Policy Compendium Note on the Provision of Aid by Foreign Military Forces,” and “OI Policy Compendium Note on Multi-Dimensional Military Missions and Humanitarian Assistance,” neither of which touches on PMSCs; they are specifically focused on state military in humanitarian aid (Oxfam International, 2008; Oxfam International, 2012). The first document listed focuses on when OI thinks it is appropriate for foreign militaries and UN Peacekeeping operations to partake in humanitarian aid and recommendations for how militaries do so (Oxfam International, 2008). The second document focuses on Oxfam engagement in humanitarian aid in conjunction with IGOs such as the African Union and NATO. This note highlights Oxfam’s desire to be viewed as separate from military forces.

Oxfam America published an article in 2009 condemning Newmont Mining Corporation’s human rights record regarding the Yanacocha gold mine in Peru. A PMSC
hired by Newmont, along with police, allegedly committed human rights abuses (Oxfam America, 2009). Such articles are commonly published by NGOs; they focus on PMSC violation of IHL and scandal. This puts NGOs in a corner when their relationship with PMSCs is exposed as they have built up a reputation of disapproval of PMSCs.

Oxfam International also gives brief security incident reports such as “Afghan Security Incident” in which Oxfam states that 2 staff members were killed and security protocols are being reviewed but gave no information about what those security measures were (2010). Singer states that in his research, only Oxfam, the ICRC, and Mercycorps were found to have formal documents pertaining to their interaction with PMSCs (2006). The information regarding OI’s formal policy regarding PMSCs was not found publicly. It is very likely that one would need to be in direct contact with OI employees to gain access to such information.

One document did touch on briefly on PMSCs: Oxfam International's “The Accountability of National Security Forces to Civilians” (2012). This document is mainly about what Oxfam calls Security Sector Reform (SSR) which pertains to the global security industry. PMSCs are included in the security sector. While this document is not specific to how NGOs operate with PMSCs, the security sector is something NGOs participate in and need to be aware of. Increased accountability in the security sector would make it easier for NGOs to know more about who they are hiring and how reputable that company is. This Oxfam document specifically focuses on human rights abuses and gives recommendations for SSR.

While Oxfam has a negative opinion of PMSCs and often calls for increased regulation of PMSCs and the security sector, Oxfam international still has to contract PMSCs
for security in conflict zones. What information is publicly available in relation to Oxfam’s processes for hiring PMSCs and simply Oxfam’s dealings with PMSCs? While Oxfam does publish material on PMSCs it does not publicly provide much information regarding its own dealings with private military and security companies, or its security protocols in general. This furthers the idea of NGOs not wanting to talk about PMSCs because PMSCs as a whole are viewed so negatively. NGOs can get in trouble when connected to a PMSC that has seen concerns over human rights violations.

**Case Study 2: The International Committee of the Red Cross**

The International Committee of the Red Cross (ICRC), founded in 1863, describes itself as “an independent, neutral organization ensuring humanitarian protection and assistance for victims of war and armed violence.” (International Committee of the Red Cross, 2018). It is based in Geneva Switzerland and says that its “mandate stems essentially from the Geneva Convention of 1949” (International Committee of the Red Cross, 2018). It works in over 80 countries and employs approximately 16,000 people globally (International Committee of the Red Cross, 2018).

“FIGURE 10. ICRC 2015 Budget.”

The ICRC conducts a wide variety of projects some of which fall under: clean water and habitat, food aid, health consultations, and opening discourse on sexual violence (International Committee of the Red Cross, 2018; International Committee of the Red Cross, 2016). The majority of ICRC funding for such projects comes from various governments (ICRC, 2108). Each year the ICRC appeals for the amount of money it thinks it needs to fund programs and address humanitarian crises around the world. “In 2016, the
International Committee of the Red Cross (ICRC) requested US$1.6 billion, predominantly for responses in conflict-related situations – the first decrease in requirements since 2012. The amount received in 2016 increased by 9% from the previous year, however, reaching US$1.5 billion (93% of requirements) – ICRC’s highest volume of requirements met to date.

..” (Development Initiatives Ltd., 2017: 31). The “Global Humanitarian Assistance Report 2017” shows that the ICRC meets the majority of its funding goal every year, allowing it to provide aid across the globe (Development Initiatives Ltd., 2017). It is important to note the source of funding as this is a major topic within NGO accountability and shows where the ICRC has connections.

“FIGURE 11. ICRC Funding Sources.”

“FIGURE 12. ICRC Appeals and Funding from 2012-2016.”

The ICRC operates in a plethora of conflict zones as one of their goals is “ensuring humanitarian protection and assistance for victims of war and armed violence” (International Committee of the Red Cross, 2018). The ICRC has projects in conflict zones such as: Syria, Yemen, the Democratic Republic of the Congo, Myanmar, Somalia, and Afghanistan. The ICRC has a documented relationship with a PMSC in the Democratic Republic of Congo. “In Kinshasa, the capital of the Democratic Republic of Congo, the ICRC is amongst a number of aid agencies and embassies that use Defense Systems Ltd, a subsidiary of ArmorGroup to ensure security.” (International Alert, 2002: 14). Additionally “in Uganda, the Federation of Red Cross and Red Crescent Societies, terminated an arrangement with a local company when it found out the company was part of Saladin, one of the ex-mercenary South African groups” (International Alert, 2002: 17).
One of the most notable documents the ICRC has published pertaining to PMSCs is “The Montreux Document: On Pertinent International Legal Obligations and Good Practices for States Related to the Operations of Private Military and Security Companies During Armed Conflict” (2008). This document was created in consultation with seventeen countries at the request of the government of Switzerland. Currently, there are fifty-three participating countries (Federal Department of Foreign Affairs (FDFA), unknown). While this document lays out a lot of information about how international law applies to PMSCs and how states should interact with them, it does not tackle the PMSC-NGO debate.

The ICRC is quite active in the debate around PMSCs, especially surrounding the regulation of PMSCs and how international humanitarian law (IHL) applies to them. The ICRC website includes background on PMSCs in its 2013 article titled “International Humanitarian Law and Private Military/Security Companies –FAQ.” The International Review of the Red Cross also publishes articles regarding PMSCs and IHL. Such articles include “Business Goes to War: Private Military/Security Companies and International Law,” “Private Military Companies: Their Status under International Humanitarian Law and its Impacts on Their Regulation,” and “Promoting Compliance of Private Security and Military Companies with International Humanitarian Law” (Gillard, 2006; Cameron, 2006; Perrin, 2006). Many of these articles discuss PMSC status in IHL and specifically whether or not PMSC employees are considered civilians. The fact that these articles are in the International Review of the Red Cross demonstrates the ICRC’s participation in the discussion of where PMSCs fall in international law and what their regulation should look like.
Singer states that his research found only three NGOs – Oxfam, ICRC, and Mercycorps – with formal documents on their organization's interaction with PMSCs, but this information could not be publicly found (2006). It is likely that one would have to talk to an ICRC employee to obtain information about their internal policies regarding private military and security companies. The ICRC's “Staying Alive: Safety and Security Guidelines for Humanitarian Volunteers in Conflict Areas” briefly touches on PMSCs (Roberts, 2005). This article specifically talks about how hiring a PMSC can affect how an NGO is viewed saying that they can “...blur an organization's image” (Roberts, 2005: 92). It also states that sometimes PMSC use “can actually increase the threat rather than diminishing it. They can certainly confuse our intended message of neutrality and impartiality” (Roberts, 2005: 92). “Staying Alive” does recognize that hiring private military and security companies is sometimes a necessity for NGOs and states that clear procedures for the selection of PMSCs are needed (Roberts, 2005).

Many of the ICRC documents center on the Montreux Document. However, the overwhelming majority of ICRC materials deals with the discussion surrounding the regulation of PMSCs under international humanitarian law. The ICRC did, however, recognize that for NGOs PMSCs are sometimes necessary and called for selection procedures. This was not found in Oxfam International's documents. Even with recognition of PMSC necessity, the ICRC also did not provide anything about its personal dealings with PMSCs, despite their known dealings with these groups in the past. This too furthers the point of NGOs fearing damage to their reputations even though there is currently no alternative option to hiring PMSCs.
**Case Study 3: Southern Cross**

Southern Cross is a private military and security company created by a former Executive Outcomes employee (Singer, 2004). Executive Outcomes was one of the most well-known PMSCs in the 1990s and was formally dissolved in 1999 due to its association with apartheid South Africa and its operations in Angola and Sierra Leone, fighting rebels (Kinsey, 2006; Singer 2004). When it dissolved, a number of PMSCs sprung out of its ashes including: Southern Cross, Sandline, Lifeguard, NFD Ltd., Alpha 5, Cape International, and Sacaren (Singer, 2004).

Southern Cross focuses mostly on services such as patrols, guards, and risk assessment\(^3\). International Alert cites personal communication with an Oxfam GB employee that indicates multiple NGOs have involvement with Southern Cross (2002). Beyond that, no information could be found regarding NGO involvement with Southern Cross, though connections between Southern Cross and NGOs do indeed exist. PMSCs keep information about themselves and their humanitarian aid contracts even more closely guarded than NGOs do their relationship with PMSCs. This is in part due to the secretive nature of the security industry, but can also be due to their ties to other organizations possibly conflicting with one another. The same PMSCs are hired by governments, MNCs, and NGOs; these organizations are bound to have conflicting ideologies and or goals. Humanitarian aid NGOs do not like to associate with PMSCs, those same companies are often doing things like guarding mines and oil pipelines for MNCs and/or have murky pasts.

\(^3\) In relation to humanitarian aid NGOs, these services take the form of patrolling NGO buildings, guarding NGO compounds and resources, and providing advice on security regarding NGO missions in high-risk areas.
Case Study 4: Xe Services

Like Southern Cross, Xe Services also sprung out of a disgraced PMSC. Xe Services came out of Blackwater (Ortiz, 2010). As previously discussed in this paper, Blackwater disbanded after an incident in Iraq, in which approximately twenty civilians were killed in a firefight started by Blackwater employees (Brookings Institute, 2007). Blackwater was never able to recover its reputation and eventually changed its name to Xe Services.

Xe Services is thought to have been contracted for security by NGOs in the North-West Frontier Province (NWFP), in Pakistan, but this is unconfirmed information. Publicly available documents usually discuss Xe Services’ name change and contracts with the U.S. military and CIA in Iraq, Afghanistant, and Pakistan. In 2009, there were reports that Xe Services worked with the CIA on its drone programs in the Afghanistan-Pakistan border region (MacAskill & Walsh, 2009). Concerns over Xe Services’ connections to the U.S. national security apparatus overshadows other actions the organization may have been involved in. As in the case of Southern Cross, information on contracts with NGOs is just not readily available to the public. Xe Services was contracted to protect all sorts of resources and people in Iraq; it is not a stretch to think that NGOs would also have contracted the company for the same services. With all the buzz around Xe Services’ name change and the focus on government contracts, information on more wide-ranging activities may be lost to the public.

Conclusion:

The body of work on the NGO-PSMC relationship acknowledges its existence and the concerns that adding private military and security companies to the field of humanitarian
aid brings. This ties into the literature regarding PMSCs which mainly focuses on PMSC status in international law and PMSC regulation. The debate over whether or not PMSC employees have combatant or civilian status continues (Cameron, 2006; Gillard, 2006; Maisel, 2016). However, one thing scholars and policy makers agree on is that PMSCs need to be better regulated.

NGOs also follow the main body of PMSC literature. While NGOs like Oxfam International and the International Committee of the Red Cross do publish documents and articles related to private military and security companies, they refrain from directly referencing themselves. Both Oxfam and the ICRC published documents regarding the regulation of private military and security companies. Oxfam was more open about its negative opinion of PMSCs than the ICRC. The ICRC acknowledged that sometimes the use of PMSCs is necessary for NGOs. In both cases, the NGOs seemed to understand the reputational risks involved with publicizing their relationships with PMSCs.

Publicly available information on NGO-PMSC relationships is very difficult to find, particularly when looking at it from the PMSC angle. Transparency with private military and security companies has always been a point of contention and it is no surprise to find that information on their contracts with NGOs is practically nonexistent. While NGOs are concerned about damaged reputations, PMSCs are even less likely to publicize any of their contracts or even simply where they work, than NGOs. This is due to the already shaky reputation of PMSCs and the security industry.

This paper highlights just how deep the hole in information surrounding the NGO-PMSC relationship truly is. Finding that there really is not much published by PMSCs or NGOs on their interactions with each other just furthers the idea that both types of
organizations need to be more accountable to the public. This is especially important when it comes to NGOs, as some of their funding comes from the public. The more open both organizations are about their relationship with one another, the easier it will be for informed discourse to occur. NGOs wish for stronger PMSC regulation and can add even more to the conversation with personal experiences from their PMSC contracts.

Further research on the subject of the NGO-PMSC relationship should look at a way to create or consolidate information on PMSCs that NGOs can use to better inform themselves before making contracts. NGOs are interested in information such as what services a PMSC provides, where they are based, how reputable they are, scandals they are involved in, and other PMSCs they have connections to. Even if incomplete, a partial database of this information would be particularly helpful for NGOs. Research into recommendations for what NGO internal PMSC hiring standards should look like would also be useful. These things could help NGOs better deal with PMSCs when their services are needed.

NGOs often work in areas that put their staff and volunteers at great risk. In doing so, they need security services that the local governmental organizations are often incapable of providing, thus creating the necessity of contracting with private military and security companies. Information on specific NGO-PMSC relationships is practically non-existent; these relationships exist without public knowledge or accountability. Continued research into these relationships may result in more widely shared information and better regulations on both NGO hiring standards and operational standards with PSMCs.
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Annex 1: Acronyms

CIA Central Intelligence Agency
DCAF (Geneva Centre for the) Democratic Control of Armed Forces
DRC Democratic Republic of Congo
EO Executive Outcomes
FARC Fuerzas Armadas Revolucionarias de Colombia
FDFA (Swiss) Federal Department of Foreign Affairs
GB Great Britain
ICRC International Committee of the Red Cross
IGO Intergovernmental Organization
IHL International Humanitarian Law
ISIL Islamic State of Iraq and the Levant
LTTE Liberation Tigers of Tamil Eelam
MNC Multinational Corporation
MPRI Military Professional Resources Incorporated
NATO North Atlantic Treaty Organization
NGO Nongovernmental Organization
NWFP North-West Frontier Province
OI Oxfam International
PMSC Private Military and Security Company
SSR Security Sector Reform
UK United Kingdom
US United States
Annex 2: Figures

**Figure 1:** Funding of international Humanitarian Assistance (Development Initiatives Ltd, 2017).
Figure 2: Number of NGOs Over Time (Hassan, 2015).
**Figure 3:** Attacks on Aid Workers Over Time (Hoelscher, Nygård, & Miklian, 2017).
Figure 4: Areas with active PMSCs between 1991-2002. (Figure 1.1 in Singer, 2003).
Figure 5: Montreux Document Participatory States in Blue (The Federal Department of Foreign Affairs (FDFA), Unknown).
**Figure 6:** Services PMSCs are contracted for (Figure 1 in Overseas Development Institute, 2009).
Figure 7: Oxfam International’s Area of Operations. Green countries are where Oxfam is based, Red, orange and yellow countries are where Oxfam works (Oxfam Canada, 2018).
Figure 8: Income Source from Oxfam International’s Annual Report for 2015-2016 (Oxfam International, 2016).

### SECTION 9.1

## INCOME

### CONSOLIDATED MONETARY VALUE OF FUNDING RECEIVED BY SOURCE


<table>
<thead>
<tr>
<th>Revenue by Source</th>
<th>€ Million</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional Fundraising</td>
<td>€413.3</td>
<td>41.4%</td>
</tr>
<tr>
<td>UK and Ultra Institutions</td>
<td>€35.6</td>
<td>3.6%</td>
</tr>
<tr>
<td>EU and EU Institutions</td>
<td>€57.0</td>
<td>5.8%</td>
</tr>
<tr>
<td>Other Supranational Institutions</td>
<td>€12.9</td>
<td>1.3%</td>
</tr>
<tr>
<td>Home Government Institutions</td>
<td>€203.7</td>
<td>19.7%</td>
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<tr>
<td>Other Governments</td>
<td>€57.5</td>
<td>5.7%</td>
</tr>
<tr>
<td>NGOs &amp; Other</td>
<td>€41.2</td>
<td>3.4%</td>
</tr>
<tr>
<td>Associated Organizations</td>
<td>€3.2</td>
<td>0.0%</td>
</tr>
</tbody>
</table>

### Revenue by Source

<table>
<thead>
<tr>
<th>Revenue by Source</th>
<th>€ Million</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Fundraising</td>
<td>€241.4</td>
<td>32.2%</td>
</tr>
<tr>
<td>Fundraising Events</td>
<td>€60.0</td>
<td>7.9%</td>
</tr>
<tr>
<td>Humanitarian Appeals</td>
<td>€86.8</td>
<td>11.4%</td>
</tr>
<tr>
<td>Regular Giving</td>
<td>€170.5</td>
<td>21.9%</td>
</tr>
<tr>
<td>Single Gifts</td>
<td>€63.0</td>
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</tr>
<tr>
<td>Grants</td>
<td>€16.6</td>
<td>2.2%</td>
</tr>
<tr>
<td>Lotteries</td>
<td>€13.5</td>
<td>1.8%</td>
</tr>
<tr>
<td>Other Corporate, Trust &amp; Foundation Donations</td>
<td>€11.6</td>
<td>1.5%</td>
</tr>
<tr>
<td>Other Public Fundraising</td>
<td>€187.7</td>
<td>24.7%</td>
</tr>
<tr>
<td>Interest and Investment Revenue</td>
<td>€4.0</td>
<td>0.5%</td>
</tr>
<tr>
<td>Trading Revenue*</td>
<td>€187.7</td>
<td>17.5%</td>
</tr>
<tr>
<td>Other Income</td>
<td>€12.3</td>
<td>1.4%</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>€1,071.4</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

*Figures represent CONSOLIDATED income across the Confederation (UL affiliates plus the Oxfam International Secretariat), inter-affiliate transfers have been eliminated.

* Trading Revenue figures are gross – no trading costs have been deducted.
Figure 9: Oxfam’s 2015-2016 Program Expenditure for the Top 20 Countries (Oxfam International, 2016).
Figure 10: ICRC 2015 Budget (International Committee of the Red Cross, 2016).
Figure 11: ICRC Funding Sources (International Committee of the Red Cross, 2018).

Sources of ICRC funding

- Governments: 84.90%
- International and supranational organizations: 0.20%
- National Societies: 1.70%
- Public and private sources: 3.50%
- ECHO: 9.70%
Figure 12: ICRC Appeals and Funding from 2012-2016 (Development Initiative Ltd., 2017).