

Policy on contractors providing military and security services

1. Preamble

1.1 CFB policy towards *Companies with Military Exposure* is outlined in a separate statement. This paper applies CFB policy to Private Military Companies (PMCs) and Private Security Companies (PSCs) which use armed personnel to provide security services.

1.2 The private security industry is estimated to be worth in the region of \$100 billion and employs tens of thousands¹. The Iraq war beginning in 2003 saw a major escalation in the industry, with perhaps 20-30,000 personnel employed in Iraq alone², with considerable sums involved. For example, the Blackwater company was awarded over \$832 million in contracts from the US Federal Government between 2004–2006³: the UK firm Aegis Defence Services was reported to have been awarded a \$430 million Pentagon contract to oversee all private security contractors in Iraq⁴. There is a number of other UK companies supplying armed personnel, though little exposure via the listed securities market.

1.3 Reporting on the use of such contractors in Iraq and Afghanistan, Human Rights First proposes the following definition:

“the use of private personnel with ‘a core mission to protect people (other than themselves) or things, to include guarding government (and contractors’) facilities, protecting government personnel (and other government contractors) and United Nations (U.N.) and other international organization staff as well, and providing security for convoys”⁵

1.4 The use of non-government armed personnel is often regarded as a necessity, however regrettable. For example, in addition to the UN and governments non-governmental organisations such as development charities, and on occasion church representatives, use such personnel, sometimes locally sourced. PSCs are employed by many branches of government (for example, the UK Department for International Development spent 278 million of its Iraq reconstruction budget on security services⁶). Such assistance is often deemed necessary where national armed forces are unable or refuse to provide protection.

1.5 CFB policy recognises that weapons and systems which support their use are not morally neutral, since they are destructive of life. The employment of security contractors should be considered in the same light.

1.6 Considerable concern has been expressed about inappropriate use of force by private contractors. A Human Rights First report notes:

“The most recurrent violations involve the use of lethal force against civilians in what the private security contractors call “convoy protection”. Convoys often speed down the wrong side of the road, use gunfire to warn off civilians, and routinely fire on civilian vehicles in response to perceived threats. Although some incidents involving the questionable use of force by contractors against civilians and other alleged contractor abuse have been reported in the press or through official channels, few have been investigated and almost none have been prosecuted.”⁷ There can be grave implications for relationships with the local population and the potential for spirals of violence to occur.

1.7 The most serious incident involving private security contractors may have occurred on 17th September, 2007, when guards from the US security firm Blackwater shot on Iraqi civilians in Baghdad, killing 17 people⁸. Human Rights First’s review of 610 Serious Incident Reports filed between July 2004 and April 2005 showed that 61% of the incidents concerned contractors firing on unarmed civilians⁹.

1.8 The relationship between national armed forces and security contractors may not always be clear, particularly where governments have poor regard for human rights.

2. Areas of ethical concern

- 2.1 Companies involved in providing private military or security services to government, corporate, or NGO clients may be more directly involved in armed conflict than companies providing military equipment or services.
- 2.2 Private military contractors may prevent harm and may be more akin to police than national armies, thereby raising fewer ethical concerns. Nevertheless, private armed forces do not always have clear lines of accountability and democratic control and can be used as substitutes for national forces. The application of the Christian Just War tradition to the use of private forces is not straightforward.
- 2.3 Private contractors may employ personnel less well-trained than those in the armed forces, under less well-developed chains of command, and with less accountability. The use of contractors in place of military personnel may therefore increase the risk of inappropriate use of force in some areas of conflict.

3. Policy

- 3.1 The CFB policy *Companies with Military Exposure* must be specifically applied to the provision of private military or security services by a company. Such services may be regarded as raising more concern than the provision of offensive weapons.
- 3.2 For the purposes of investment, a company's exposure to the provision of private military or security services will only be tolerated if it does not form a significant proportion of its overall activity, is clearly conducted in a well-regulated environment with clear rules of engagement subject to legal scrutiny, and is not deployed as a substitute for national armed forces.

¹ Carmola, Kateri. (2010) *Private Security Contractors and New Wars London*, London : Routledge

² Corporate Watch. 'Bodies of Armed Men', www.corporatewatch.org/?lid=2481

³ Human Rights First. (2008) *Private Security Contractors at War: Ending the Culture of Impunity*, www.humanrightsfirst.info/pdf/08115-usls-psc-final.pdf, p 7.

⁴ Corporate Watch. 'Bodies of Armed Men', www.corporatewatch.org/?lid=2481

⁵ Human Rights First. (2008) *Private Security Contractors at War: Ending the Culture of Impunity*, www.humanrightsfirst.info/pdf/08115-usls-psc-final.pdf, p 1

⁶ Corporate Watch. 'Bodies of Armed Men', www.corporatewatch.org/?lid=2481

⁷ Human Rights First. (2008) *Private Security Contractors at War: Ending the Culture of Impunity*, www.humanrightsfirst.info/pdf/08115-usls-psc-final.pdf, p iii–iv.

⁸ Guardian, 'Blackwater guards shot Iraqis without provocation, report says', www.guardian.co.uk/world/2007/oct/08/usa.iraq

⁹ Human Rights First. (2008) *Private Security Contractors at War: Ending the Culture of Impunity*, www.humanrightsfirst.info/pdf/08115-usls-psc-final.pdf, p 10