

Chapter 1: Private security in war-torn African states

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Much has been written about the modern private security industry – particularly about ‘corporate mercenaries’.² Until fairly recently, the approach to mercenaries within international law was explicitly associated with the process of armed opposition to decolonisation. This view is substantiated by even a cursory reading of the 1977 OUA Convention for the Elimination of Mercenarism in Africa and the 1989 UN International Convention against the Recruitment, Use, Financing and Training of Mercenaries. In the latter half of the 20th century, the term has taken on a pejorative tone – often recalling the image of the foreign white mercenary brutally suppressing or intervening in African politics at the behest of corrupt politicians or exploitative businessmen.

Although the debate on mercenaries *per se* has been substantial, research into the context in which this phenomenon occurs, as well as into the much broader continuum of private security and private military companies, is still fairly scarce. It is to address the wider spectrum of this complex problem that we have undertaken the writing of this book. Even though the problem of private military and security companies seems to have global characteristics and implications, we have chosen to demonstrate the connections by referring to one particular continent: Africa.

In Africa, private security companies are increasingly supplanting the primary responsibility of the state to provide both security for its peoples and for lucrative multinational and domestic business activities. Globalisation, the failure of African countries to achieve sustainable development, concomitant with the general weakening of the African state and Western peacekeeping disengagement from Africa after the Somali debacle, all provide a new context within which one should view historical mercenary patterns.

Before launching into the first substantive chapters of the book, brief reference must be made to the status of the global security industry in the 1990s and those factors that assist in transforming this ‘old’ problem into a uniquely contemporary phenomenon. These factors consist of the following:

- the relationships between private security companies and their countries of origin;
- the relationships between private security companies and countries receiving their services;
- prevalent trends in outsourcing core national security obligations in some parts of the world;
- the links between private security companies and the mining industry; and
- the difficulties in exercising national controls over these types of operations, particularly in regions such as sub-Saharan Africa.

Current status

The global security industry is a multibillion dollar business. Companies are relatively small in international terms (average annual turnover of US \$5 million), highly specialised but undercapitalised, and tend to serve finite geographical regions.³ Entrance barriers in the industry are low, fuelling the rapid entry and equally rapid demise of dozens of companies attempting to access a potentially lucrative market. Depending on how they are defined, companies provide anything from competitor intelligence and risk assessment, to personal and asset protection, to the sale, installation and maintenance of basic protection equipment, to high-technology protection and surveillance measures. They provide passive, defensive equipment and services, or offensive, intrusive and aggressive technology and services. Although companies like the recently disbanded Executive Outcomes had some assets, the most important are contacts, a network of possible employees and ready cash in the bank as start-up capital for new projects.⁴

In many countries, the industry is most obviously present as watchmen, often augmented by rapid reaction units armed with handguns and shotguns. In more turbulent countries, private security personnel take on a more paramilitary nature and are armed and equipped accordingly. Some can even be described as private armies. According to this view, a company such as Executive Outcomes was a radical form of the privatisation of security in Africa, not an anomaly, and was an extension of more legitimate personal protection services.

Companies such as Executive Outcomes and Sandline International transcend the role of traditional security consultants – they are, in fact, private paramilitary organisations which style themselves as ‘military consultants’. They employ former soldiers and, in many of their activities, act in a manner indistinguishable from classic mercenaries at the behest of their economic or political paymasters.

Tim Spicer’s definition of ‘private military companies’ goes far beyond even that of Executive Outcomes whose principals have vehemently argued that they do not participate in combat. Private military companies, Spicer argues,

“... are defined as those organisations which do more than provide passive assistance in areas of conflict. They may provide training and equipment to extend the capabilities of their client’s military resources, providing them with the strategic or operational advantage that is necessary to suppress their opposition or, going even further, play an active role alongside the client forces, as force multipliers, deploying their own personnel in the field of conflict, but with the strict caveat that they are acting within the chain of command of the client’s military hierarchy.”⁵

Relationships with countries of origin

Some private security or military companies, like Sandline and Military Professional Resources, Incorporated (MPRI), have close ties to their home governments, in this case Britain and the United States. In the US, for example, there is strict federal and state

legislation which requires that any company has to obtain government sanction before any commitment may be made which involves the provision of security or military goods and services to a foreign client, albeit a multinational corporation or a government. Since companies such as MPRI regard themselves as normal and legitimate business concerns, they must comply with such regulations.

Although the British government is on record as saying that the growth of private mercenary companies is a source of serious concern, its actions show that expediency may replace principle. In fact, British actions under a Labour Party government have made many analysts question the commitment of Britain, and other former colonial mother countries, to curb mercenary activity. Sandline International is one of a small number of private security companies employing former special force and intelligence officers that provide ‘hard’ security services. In a relationship in some ways similar to that between MPRI and the government of the US, Sandline claims close links with the British government.

The now disbanded Executive Outcomes, arguably the most well-known of these companies, was the odd one out in this regard. It drew its recruits from former apartheid armed forces – although this changed in recent years – and had its roots in a dirty tricks, covert front company for the South African Division of Military Intelligence. These origins would ensure that Executive Outcomes retained the mortal hostility of a South African government under Nelson Mandela after the African National Congress came into power in 1994. As a result, it was neither trusted nor apparently used by the Mandela government – a factor that undoubtedly played an important role in the decision to terminate its operations.

Following the passage of ineffectual but symbolically important extraterritorial legislation by the South African Parliament during 1998 – aimed at outlawing mercenary activity and regulating private foreign military assistance – Executive Outcomes announced that it would be winding up its affairs with effect from 1 January 1999. While this may bring one chapter in the saga to an end, there can be little doubt that most, if not all of its assets, knowledge and operations will continue under a different name or names. Already, the former CEO of Executive Outcomes has established a new security company, while many of the former senior managers of the company remain active in the field.

Relationships with recipient countries

There is often also a network of personal and financial connections between the heads of state/government members, multinational corporations and private security companies. The economic stakes are high. The host government, in many instances, is poorly equipped, corrupt and faced with internal armed political opposition. According to *Africa Confidential*,⁶ for example, former Executive Outcomes head, Eeben Barlow, established a joint-venture security consultancy company with Raymond Moi, the son of Kenya’s president, in 1995. Moi and Barlow are apparently also linked through Ibis Air, which is partnered with Simba Air in Kenya, partly owned by Moi. Ibis Air has often provided air transport for Executive Outcomes and was generally considered to be part of the same network of companies.

In neighbouring Uganda, Saracen Uganda (a former Executive Outcomes subsidiary) guarded the gold mining operations of Branch Energy (Uganda). Saracen Uganda was established in co-operation with the recently disgraced half-brother of President Yoweri Museveni, Major-General Salim Saleh. Saleh owns 45 per cent of Saracen Uganda and 25 per cent of Branch Energy (Uganda). During December 1998, Saleh resigned as presidential advisor on defence and military affairs after confessing that he engineered the improper take-over of the recently privatised Uganda Commercial Bank through a firm in which he has a significant shareholding, Greenland Investments.⁷ In this manner, political power, nepotism, economic interests and security profits coincide in a common thread that seems to pervade much of Africa.

In a country such as Angola, mercenary activity appears to have become endemic to the war. During the nineties, mercenaries played a crucial role in the reverses that *União Nacional para a Independência Total de Angola* (UNITA) suffered on the battlefield. The impact of foreign soldiers, however, did not end once Executive Outcomes allegedly left the country on 11 January 1996.⁸ As recently as March 1998, South African mercenaries were reportedly hired by the Angolan government to man SAM-14 ground-to-air missile systems in the Bailundu and Andulo area as part of an effort to isolate the UNITA forces about 150 kilometres north of Huambo. In January 1998, fighter aircraft allegedly flown by foreign pilots forced down a DC-4 cargo plane trying to land at Andulo, an area controlled by UNITA. The plane was carrying a cargo of diamond mining equipment and munitions. Executive Outcomes subsequently denied its involvement, stating categorically that it had no operatives in Angola at the time.⁹ This incident also demonstrates the difficulty in isolating fact from fiction and rumour in an industry that guards its secrets as effectively as it does its clients. In the case of Executive Outcomes, it would probably be true to state that its reputation and alleged involvement in most countries far exceeded its actual activities. The legend that became Executive Outcomes was, in fact, as powerful a marketing tool as it was an impediment to the legitimisation of the company in the eyes of the South African government.¹⁰

The extreme case of a territory so thoroughly privatised that the slightest semblance of statehood has disappeared, must be Somalia, where warlords are most plausibly regarded as commercial operators, each with a private military force recruited largely on a clan basis and dealing in straightforward looting, arms trade, narcotics, and the considerable profits to be made out of humanitarian relief and, most ironically, international peacekeeping.¹¹

Outsourcing

The trend towards the outsourcing of core national security obligations is not limited to Africa, nor is it necessarily viewed negatively, particularly in the West. In developed economies, this trend is largely driven by market forces – ever in search of less expensive and more effective ways of using scarce resources. During the second half of 1998, the US contracted a private security company, DynCorp, to provide supplies to its contingent for the civilian verification mission of the Organisation for Security and Co-operation in Europe (OSCE) in Kosovo. DynCorp won the contract against stiff competition from MPRI which is

involved, among others, in military training in Croatia and the Federation of Bosnia and Herzegovina.

Yet, while security outsourcing and even commercialisation are common practices in countries such as the US, Britain, France and others, it is often core functions of statehood that are contracted out in Africa – due to the inability of the state to fulfil such functions. The purpose is therefore not to enhance cost-effectiveness, but to fill a vacuum left by the effective collapse, partisan nature or inefficiency of the national forces – or to make money for a small political élite, often connected by marriage or other personal ties. By far the most important case was the former Belgian Congo, where the collapse of discipline in the *Force publique* led, within days of independence, to UN intervention. When some form of order was established, it paved the way for the most ruthlessly privatised of all African armies under the patronage (rather than command) of Mobutu.

The case of the Belgian Congo was in no way a unique occurrence. According to Clapham, “[i]n the three East African states of Kenya, Tanganyika/Tanzania and Uganda, the mutinies of early 1964 were suppressed by instant British intervention, but led to rather different political responses on the part of the three governments concerned: in Kenya to a small professional army under a measure of continued colonial tutelage; in Tanzania to something close to a citizen army, in association with the ruling party; and in Uganda, most dangerously, to the buying off of the mutinous elements who were permitted to remain within the military.”¹²

In recent years, the political élite have been responding in a variety of ways to the security dilemma in African states, but these have increasingly been characterised by the trend towards the privatisation of security as former colonial links became ever distant. In 1994, for example, the Israeli company Lev’dan signed a \$50 million contract with the government of Congo-Brazzaville to train the local army and presidential bodyguard.¹³

Links with mining

The relationship is not limited to internal actors, however. Often, private security companies are in the service of multinational mining interests or closely associated with high risk international base mineral exploration companies. Mining still represents one of Africa’s few real areas of progress – and companies have no alternative but to go where the rich mineral deposits are to be found. Africa already provides most of the world’s gold and gem diamonds, as well as platinum and palladium. Most of the world’s cobalt, copper, chrome and titanium dioxide are also mined in Africa. The US Bureau of Mines estimates that deposits in Southern Africa alone hold nearly ninety per cent of the world’s platinum and palladium, 85 per cent of the chromium, 75 per cent of the manganese, fifty per cent of the gold and fifty per cent of the vanadium.

Cash-strapped African governments, that once treated international mining groups with deep suspicion, now compete for their favours. Many have watered down or abolished foreign ownership restrictions or punitive taxes that had previously discouraged companies from

exploring for mineral deposits. From Algeria to Zimbabwe, more than thirty African countries have made substantial changes to their mining codes. As a result, poor governments pay for services and favours by granting mining concessions – or mortgage future profits to purchase arms or line the pockets of the governing élite as is the case in Angola.

The amount of foreign funds spent on mining exploration in Africa has increased rapidly in the 1990s despite the fact that low commodity prices are forcing mining companies to cut exploration budgets. Planned capital expenditure, as distinct from exploration spending, has also jumped significantly in recent years, most of it for gold and copper mining.¹⁴ This kind of mining requires vast investments and therefore a stable environment – in contrast to diamond mining in much of Angola and the Democratic Republic of the Congo, for example, which is much less capital intensive.

The reality of weak African states creates an environment within which foreign companies must provide not only their own infrastructure, such as roads and medical facilities, but also private security forces capable of protecting their property and employees. As a result, mining companies argue a strong case when it comes to the costs of doing business in Africa, where mining can be a dangerous and very expensive activity. During January 1999, four employees of the *Sociedade de Desenvolvimento Mineiro de Angola* (SDM), which mines diamonds in Angola's Lunda Norte province, were killed when their vehicle was ambushed by an armed band. At the time, SDM was reported to employ 500 security guards to protect the 200 people on its mining site. Some months earlier, the Yetwene diamond mine, also in Lunda Norte, was attacked. Eight employees were killed, 24 injured and ten abducted. Speculation at the time was that the alleged UNITA attack may have been targeting the part-owner of the mine, DiamondWorks, given the close relationship between DiamondWorks, Branch Energy, Executive Outcomes and the *Movimento Popular de Libertação de Angola* (MPLA). Yetwene was protected by TeleServices, a company within which senior members of the Angolan armed forces hold significant shares.

Apart from paying off local politicians, warlords and often the military, mining companies have to employ teams of security 'advisors' at enormous cost to protect their staff and property and to alert them to impending conflict. The personnel at hand are also often of doubtful efficiency. For example, following the attack on the Yetwene mine mentioned above, the local TeleServices guards decided to loot the mine. Mining companies must also draw up elaborate evacuation plans, usually involving special teams on standby, chartered aircraft and so on. To reduce psychological stress, companies such as De Beers rotate their Angolan field staff every three months. As a result, the security costs to protect the extended operations and capital investments of a large mining operation can be enormous. As the war in Angola escalated during January 1999, the Canadian company SouthernEra Resources reported that it was closing its two operations in the Lunda Norte province since security costs had made mining there only marginally profitable – and highly dangerous.¹⁵

Official harassment and the lack of security in the granting of government licences are other factors that increase mining costs in Africa. The result is, inevitably, that mining companies concentrate on gaining the highest returns in the shortest time possible. In an article that appeared in the *Financial Mail* of 15 January 1999, the South African company Anglo

American alleged that it was awarded a 20 000 square kilometre prospecting concession in 1996 by the then government of Zaire. Anglo was lucky to have its concession area reduced to 13 000 square kilometres by President Laurent Kabila's new government. Kabila annulled the contracts of American Mineral Fields (AMF) and Banro Resources Corporation.¹⁶

The extent to which a government such as that of President Mobutu of the former Zaire lacks control over its own territory and the extreme lengths that mining houses are prepared to go to in order to secure contracts, are evident from another example involving American Mineral Fields. During April 1997, AMF signed agreements worth about \$1 billion with Laurent Kabila, then still a rebel, to buy the Kolwezi copper and cobalt project. On assuming power, Kabila cancelled the agreement.¹⁷

The result of these often complex arrangements is a trilateral relationship between the government, the mining company and the private security company. Such a special relationship is often removed from public or governmental scrutiny and characterised by 'special' methods of payment and secrecy. In this manner, the governing élite regain control over those areas that provide private and public resources, the mining company is ensured of a captive and malleable government that enables it to exploit its concessions, while both benefit from the stability provided by the security companies. In a small country such as Sierra Leone, the services of a private security company like Executive Outcomes can become crucial to the survival of the government. As is so often the case, the losers are the communities that occupy the land where mineral exploitation occurs and the population at large.

The difficulties of control over the activities of private security companies

One of the most obvious characteristics of the private security and military industry is that it presents a confusing and misleading maze to the outside observer. Companies sometimes form part of giant inter and transcontinental concerns, making it difficult to establish where they begin or end. Some of these concerns are often registered as businesses in other territories which complicates issues such as governmental control over their activities. Moreover, contracts are often obtained on a subcontracting basis, that diverts the locus of control and responsibility. Large sections of this book will look at exactly these issues as part of an attempt to dissect the nature of the problem. The final chapter addresses the regulatory challenges.

A guide to the book

In an attempt to illustrate these trends, this book will first deal with globalisation and the growth of the private security industry in Africa (Peter Lock); the crisis in external response (Mark Malan); and the collapse of the African state (Richard Cornwell). These chapters are followed by case studies of three companies: Executive Outcomes (Khareen Pech); Military Professional Resources, Incorporated (Cilliers and Douglas); and Gurkha Security Guards Limited (Alex Vines). The case studies serve to highlight the nature of the operations and the

impact of such experiences on particular countries which are discussed in subsequent chapters, namely Angola (Sean Cleary); and Sierra Leone (Ian Douglas and Richard Cornwell). The second last chapter (Yves Sandoz) places the increased prevalence of the private security industry within the context of international humanitarian law. The final chapter (Cilliers and Cornwell) attempts to identify the underlying causal themes evident in Africa and to provide a broad policy response to the growing trend towards the privatisation and commercialisation of security and war in Africa.

We trust that this book will contribute to an understanding of the trend towards the privatisation of security – and even of war – in Africa within its wider context. We hope that it will encourage additional research on the subject and will provide information necessary to establish a regulatory framework and oversight over such activities. The latter are urgently required, if anything, because of the negative trends tying weak states and private security companies together on this troubled continent.

Endnotes

- 1 I would like to acknowledge the advice, counsel and assistance of Richard Cornwell, Virginia Gamba, Mark Malan, Sarah Meek and Jakkie Potgieter.
- 2 The common understanding of a mercenary is probably that of a 'hired soldier in foreign service', essentially working for money or other reward.
- 3 A Vines, *Security for a Few: Privatisation of Security in Africa in the 1990s*, paper read at a conference on The Privatisation of Security in Africa, South African Institute of International Affairs, Johannesburg, 10 December 1998, p. 1. According to Vines, the combined US and international security market has estimated revenues of \$56,6 billion in 1999 and is growing at a compounded rate of 7% annually.
- 4 For example, in Angola and Sierra Leone, Executive Outcomes flew two second-hand Boeing 727s as supply planes (bought for \$550 000 each from American Airlines). It also regularly flew Soviet Mi-17 armed transport helicopters, Mi-24 Hind gunships, MiG-23 jet fighter-bombers and a squadron of Swiss Pilatus training planes converted to fire air-to-ground rockets. Yet, even at its height, the true potential of Executive Outcomes probably pales in comparison with US companies such as Military Professional Resources, Incorporated. (MPRI), Vinnell Corporation and Betac Corporation, given the backing that companies such as these receive from the US government. See K O'Brien, *Freelance Forces – Exploiters of Old or New-age Peacebrokers?*, Jane's Intelligence Review, August 1998, p. 42
- 5 Private Military Companies – Independent or Regulated?, <www.sandline.com/company/index/html>, 31 December 1998.
- 6 Anon., *Militias and Market Forces*, Africa Confidential, 38(21), London, 23 October 1998.
- 7 Apparently, EO also helped to secure import licences for military hardware brought into Uganda by Branch Energy and Saracen. In a facsimile to Jane's Intelligence Review dated 21 August 1997, Branch Energy stated that "*BE Uganda is a separate legal entity to BE.*" See Branch Energy (BE), <www.eo.com/presrel/pressrel.asp?series=30>, 31 December 1998.
- 8 A number of 'former' EO personnel stayed on in Angola, redeployed to companies linked to BE such as Branch Mining, Shibita Security, Stuart Mills Associates, Saracen and Alpha 5. Vines, op. cit., p. 5.
- 9 BE, <www.eo.com/presrel/pressrel.asp?series=73>, 31 December 1998.

- 10 Tim Spicer writes: “*The extent of Active Private Military Companies (APMC’s) involvement in ... conflicts ... has been heavily dissected by the press. However, there has been almost as many different versions of reported events as stories published or broadcast. The speculation about the motivations of an APMC to accept an assignment, their long-term goals in a particular country, inter-relationships with mining companies and other commercial entities, and the method of payment, to name a few issues, has been simply staggering.*” T Spicer, Should the Activities of Private Military Companies be Transparent?, <www.sandline.com/home/index/html>, 31 December 1998, p. 3.
- 11 C Clapham, *The Changing Nature of Mercenary Activity in Africa: An Historical Analysis*, paper read at a conference on The Privatisation of Security in Africa, op. cit., p. 9.
- 12 Ibid., p. 5.
- 13 O’Brien, op. cit.
- 14 K Gooding, *Africa’s Mineral Wealth Still Beckons*, Business Day, Johannesburg, 29 December 1998.
- 15 J Sikhankhane, *The Profits of Doom*, Financial Mail, Johannesburg, 15 January 1999, p. 33.
- 16 Ibid.
- 17 Ibid.