

“An Uneasy Relationship: U.S. Reliance on Private Security Firms
in Overseas Operations.”

Chairman Lieberman

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Throughout our history, the American military has relied on the private sector in what has been called a “great arsenal of democracy” to provide weapons and supplies for our fighting forces. But once it delivered the goods, the responsibilities of private industry ended.

Over the past 15 years, we have seen a significant expansion of the role of private firms from just the manufacturers of military supplies, to suppliers of crucial military services, like the logistical support of our troops, the training of foreign police and armies, the conduct of interrogations, and the provision of armed security details.

It is the latter – the use of private security contractors, or PSCs – that is the subject of today’s hearing because of questions that have been raised about the use of private contractors in Iraq and Afghanistan.

Traditionally, bearing arms and the use of force in arenas of military conflict have been the sole province of the armed services. But our present military is just not large enough to fulfill the need for the protection of American personnel, convoys, key facilities, and reconstruction projects.

So, the use of private security contractors has become necessary in Iraq and Afghanistan. PSC employees have in fact performed effectively, honorably, and in many instances, heroically. Many of the private security employees are ex-service members. They are patriots deeply dedicated to the U.S. mission and ready every day to risk their lives – and sometimes lose them – protecting American personnel and America’s cause.

We all remember the horrific sight of the bodies of those four Blackwater security contractors being dragged through the streets of Fallujah in 2004.

But there also, of course, have been problems with the private security contractors. The rapid growth in their use has been ad hoc and without a comprehensive framework for the hiring, training, vetting, or even use of their services.

Insufficient oversight of PSCs has drawn strong criticism from within the military itself, including Defense Secretary Robert Gates, who said in October that the mission of many contractors was “at cross-purposes to our larger mission in Iraq.”

A special panel convened by Secretary of State Rice to look at PSCs – directed by Undersecretary Patrick Kennedy, who is one of our witnesses today – concluded that PSCs “operate in an overall environment that is chaotic, unsupervised, deficient in oversight and accountability, and poorly coordinated.” Those are tough words that need to be taken seriously by us.

These concerns are reinforced by incidences like the Sept. 17th, 2007, shooting incident in Baghdad involving Blackwater security agents in which 17 Iraqis died. Incidents like that one expose gaps in our own laws that leave our government with limited ability to prosecute employees of federal contractors who commit criminal acts abroad.

The House has passed legislation to address these legal gaps, and I understand Senators Leahy, Obama and others are working to bring a similar bill to the Senate floor.

But beyond changing the laws so we can punish criminal behavior – which again, I stress, are a minority of cases - we also need to have a discussion about our rapidly growing reliance on PSCs with the goal of developing a better framework across the government for how and where we are going to use them.

Our committee staff has conducted an extensive investigation into the use of PSCs in Iraq and Afghanistan that leads us to the following findings:

- First, there are no government-wide standards for the hiring, vetting and training of PSCs.

- Second, oversight of private security contractors has been hobbled by jurisdictional squabbles between the State Department and the Department of Defense, as well as insufficient numbers of personnel from both departments in theater to supervise the contractors.

- Third, reconstruction companies, NGOs, and other non-governmental entities also employ armed security contractors – many of

them third party nationals -- further complicating creation of a uniform framework for security services.

■ And fourth, federal agencies are doing little to assess our future needs or entering into a process which must decide through some rational standard which functions should remain governmental and which should be contracted out.

We need to address these fundamental issues and give serious consideration to creating a licensing authority for security companies and their individual employees. We must consider setting training standards on everything from the proper use of weapons to the application of international human rights laws.

We need better coordination among agencies to oversee PSCs and create a clear chain of command when multiple agencies are involved in an operation.

And we must think through the fundamental question of what kind of missions PSCs should be hired for in the first place.

In December 2007, DOD and State took a first step by signing a Memorandum of Agreement to commit to the development of common standards for management of PSCs in Iraq and to clarify their respective roles.

But this only applies to Iraq and only applies to the Departments of State and Defense, not to other agencies such as USAID and the Department of Justice, which also are involved in retention of private security contractors.

The need for standards and regulations on the use of PSCs goes far beyond today's missions in Iraq and Afghanistan. For instance, peacekeeping and stabilization, I believe, will be a major focus of the new AFRICOM command at the Department of Defense. The State Department is currently bidding a contract worth approximately one billion dollars to train peacekeepers and provide logistics in Africa.

So, we have to assume that the need for PSCs is going to grow in the future. We must determine where that growth is necessary and where it is reasonable. Then, we must put in place clear rules for their hiring and

comprehensive systems to ensure proper training, vetting, and accountability of their employees.

Senator Collins.

USE THIS FOR HIS INTROS, NOT IN THE OPENING STATEMENT

Our witnesses today will help shed light on whether there are efforts underway to create such a framework or whether Congress needs to legislate one. Those witnesses are the Honorable Patrick F. Kennedy, who is the Undersecretary for Management at the Department of State; The Honorable P. Jackson Bell, Deputy Undersecretary of Defense for Logistics and Materiel Readiness; Mr. James Schmitt, Senior Vice President of the firm ArmorGroup; and Professor Laura Dickinson of the University of Connecticut Law School.