

A Booming Business

PRIVATE SECURITY AND SMALL ARMS

Private security companies (PSCs) have come under increased international scrutiny due to the roles they have played in the conflicts of Afghanistan and Iraq, as well as concerns over the perceived lack of accountability for action taken by private personnel. The highly publicized involvement of international PSCs in contemporary conflicts tends to overshadow the much wider trend of security privatization across society as a whole, particularly in non-conflict settings. PSCs range from small local outfits to large multinational firms that carry out contracts for diverse clients such as governments, international corporations, local businesses, and private households.

While much attention has been devoted to debating the legitimacy of PSCs undertaking what may be considered state functions, less effort has gone into documenting the types of small arms used by PSCs and potential gaps in their control. The chapter examines the scale of the private security industry at the global level, calculates the extent to which it is armed, and asks whether PSC equipment contributes to or threatens security. Main findings include:

- Based on a review of 70 countries, this study estimates that the formal private security sector employs between 19.5 and 25.5 million people worldwide.
- PSCs hold between 1.7 and 3.7 million firearms worldwide, an estimate based on extrapolations from reported inventories. If undeclared and illegally held weapons were to be included, the global PSC stockpile would undoubtedly be higher.
- Globally, PSC firearm holdings are just a fraction of the stockpiles held by law enforcement agencies (26 million) and armed forces (200 million).
- While several states ban the use of small arms by PSCs, private security stockpiles in some conflict-affected areas amount to more than three weapons per employee.
- Outside of armed conflict settings, PSCs are most armed in Latin America, with ratios of arms per employee about ten times higher than in Western Europe.



A Pakistani officer inspects unlicensed weapons confiscated from a local security firm, Islamabad, September 2009.
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Armed guards from a private security company practice firing 9 mm pistols at a shooting range, Johannesburg, South Africa, June 1997. © Reuters

- PSCs working in Afghanistan and Iraq have been equipped with fully automatic assault rifles, machine guns, sniper rifles, and, in some cases, rocket-propelled grenade launchers, raising questions about their stated 'defensive' roles.

Latin America stands out as the region where PSCs are the most armed.

The private security industry has grown to a significant size across the globe, employing more personnel than the police in many countries. Identifiable trends in PSC personnel employment, industry forecasts, and government contracting suggest that the industry will keep expanding into the foreseeable future. Yet as the industry develops, the controls designed to regulate it are not keeping pace. States are generally lagging behind in developing effective oversight mechanisms of PSCs, and they appear to take necessary measures only to respond to, as opposed to prevent, violations.

This chapter reveals that the level of regulatory control exercised over PSC firearms is no exception to this rule. Some PSCs have been involved in illegal acquisition and possession of firearms, have lost weapons through theft, and have used their small arms against civilians although they were unprovoked. Available information remains anecdotal, however, and the monitoring of PSC firearm holdings and use has progressed only in isolated cases and in response to highly publicized abuses. Little is reported or known about the actual quantities and types of firearms held by PSCs. In many countries, official standards for the management and safeguarding of PSC weapons, as well as for the training of PSC personnel, are non-existent.

The lack of effective regulation has meant that the industry has to a great extent developed its own firearm-related standards, which only the largest companies are able and willing to implement. Confidentiality of internal PSC regulations has meant that these standards have not been disseminated widely or shared within the industry, resulting in different PSCs abiding by varying rules.

The ongoing effort to regulate the private security industry at the international, national, and industry levels following adoption of the Montreux Document has potential due to the buy-in of both industry and concerned states, as well as the intent to create independent oversight mechanisms. Assessing its effectiveness will require increased transparency and information sharing on PSC personnel qualifications, levels of training, and the incidence of abuse. Similarly, more information is required to assess whether controls of PSC firearms are actually being implemented and enforced.

A lack of transparency regarding internal PSC procedures makes objective valuation difficult.

Requiring greater transparency from PSCs with respect to their firearm holdings and discharges would significantly enhance the ability to measure progress and hold the industry to international standards. For the industry the stakes are potentially high: failing to provide evidence of compliance with acceptable standards would expose them to public criticism, lost business, and, ultimately, drastic government response. ■