

The US Army War College Quarterly: Parameters

Volume 38
Number 3 *Parameters Autumn 2008*

Article 4

8-1-2008

Contractors: The New Element of Military Force Structure

Mark Cancian

Follow this and additional works at: <https://press.armywarcollege.edu/parameters>

Recommended Citation

Cancian, Mark. "Contractors: The New Element of Military Force Structure." *The US Army War College Quarterly: Parameters* 38, 3 (2008). <https://press.armywarcollege.edu/parameters/vol38/iss3/4>

This Article is brought to you for free and open access by USAWC Press. It has been accepted for inclusion in The US Army War College Quarterly: Parameters by an authorized editor of USAWC Press.

Contractors: The New Element of Military Force Structure

MARK CANCIAN

© 2008 Mark Cancian

Mercenaries,” “merchants of death,” “coalition of the billing,” “a national disgrace” all have been used to describe the use of contractors in war. The extensive use of contractors on the battlefields of Iraq and Afghanistan has engendered strong emotion and calls for change. An ever-expanding literature and much larger volume of opinion pieces have led the discussion, most expressing shock and disappointment that such a situation has occurred. Unfortunately, little of this literature is useful to planners trying to design future forces in a world characterized by extensive commitments and limited manpower. The purpose of this article is to examine what battlefield contractors actually do, consider how we got to the situation we are in today, and provide force planners with some useful insight regarding the future.

Some general conclusions related to this assessment:

- Most jobs performed by contractors on the battlefield are unobjectional and should not be done by military personnel.
- With regard to the provision for bodyguards, the function where the most problems have occurred, viable options for change do exist.
- Following the Cold War, the Services, especially the active Army, were structured with an emphasis on combat units at the expense of support units. As a result there is a large and enduring shortage of support units. The use of contractors on the battlefield is no longer an optional or marginal activity.

The bottom-line for planners is that contractors are an integral and permanent part of US force structure. As a permanent part of US military

force structure, contractors should be treated as such. Just as there are plans, preparations, and procedures for using reserve forces, the same needs to be done in the case of contractors.

Contractors and Their Role

How many contractors are there on today's battlefields and what are their functions? For the first years of the current conflicts in Iraq and Afghanistan no one really knew how many contractors were present in theater. Estimates were proposed, but, because agencies did their own hiring and no central database existed, there was a great deal of uncertainty. When the number of contractors became an operational and political issue, the Congress directed that an accurate accounting be made. As a result there is now, as of the second quarter of fiscal year 2008, a fairly reliable count, 265,000 personnel. Unfortunately, this number has created as much confusion as clarity. Because so much media attention has focused on security contractors, many assume that the majority of these 265,000 contractors are gun-toting Americans. In fact, few are armed, and 55 percent are Iraqis. Figure 1 depicts how the numbers break out and a brief description of the functional areas.¹

Function	Numbers and Agency	Composition
Reconstruction	DOD 25,000 State (USAID) 79,100	Mostly Iraqis
Logistics and base support	DOD 139,000 State 1,300	US 24%, Third Country Nationals (TCNs) 49%, Iraqis 27%
Interpreters	DOD 6,600 State 100	Mix of US, TCNs, Iraqis
Advisers and other	DOD 2,000 State 2,200	US and some TCNs
Security (excluding bodyguards)	DOD 6,300 State 1,500	Mostly TCNs with some Iraqis
Bodyguards	DOD 700 State 1,300	US and UK
Total	265,000	US 15%; TCNs 30%; Iraqis 55%

Figure 1. Contractors and Functional Areas

Reconstruction

Almost half of all contractors are in support of some sort of reconstruction. These contractors assist in the rebuilding of infrastructure, from oil fields to roads and schools. Most of the personnel are local nationals. No sensible person would propose replacing these contractors with US military

personnel. True, there have been instances where local contractors are sometimes tainted by corruption and inefficiency, and it would appear to be administratively easier just to substitute military engineers. But these contractors also hire local labor, and are responsible for putting large numbers of local men to work, a fact aiding the broader counterinsurgency effort. Work removes the bored and unemployed from the streets. Men who might otherwise join the insurgency for ideological or economic reasons now have a stake in maintaining stability. A job also has significance in traditional societies such as Iraq and Afghanistan, a fact that is sometimes difficult for westerners to appreciate. A job means that a man can get married and leave his family's home. Traditionally in these societies, unmarried children do not move out and get apartments on their own. This transition to independent living makes a young man an adult, thereby giving him a stake in the stability of his neighborhood or town.

Logistics

Few observers seem to object to contractors in the logistics arena. Most of the US personnel involved in these functions are blue-collar technicians (truck drivers, electricians, maintenance specialists), the people who keep materiel flowing and bases running. They are unarmed and often highly skilled in their areas of expertise, frequently more so than their counterparts in the military who are often much younger and, in effect, apprentices in their trades. Traditionally, military personnel performed these functions, but the high cost and relative scarcity of experienced uniformed personnel in the all-volunteer force made use of contractors an attractive option. Why use military personnel for a job that a civilian is willing, able, and often better qualified to perform?

Third Country Nationals (TCNs) comprise the bulk of logistical personnel and perform a wide range of functions. Many work in the dining facilities, a function providing insight into how and why the US military came to rely on contractors. There are essentially no military personnel among the thousands of people who work in the dozens of dining facilities in Iraq and Afghanistan. Managed by a small group of US civilian supervisors, these dining facilities are staffed by TCNs from a number of different countries—Sri Lanka,

Colonel Mark F. Cancian (USMCR Ret.) received his BA and MBA from Harvard University. He served in a wide variety of Marine Corps operational and headquarters billets. In 2006-07 he was Assistant Chief of Staff for Assessment at the Marine headquarters in Anbar Province, Iraq. As a military officer and civilian official in Washington, he has worked on force structure, acquisition, and manpower issues.

Philippines, Bangladesh, etc. In the past military personnel performed these functions; we all remember the unit cook as the stock character in comics and novels. A significant number of military cooks were responsible for meal preparation, assisted by an even larger number of temporarily assigned dining room orderlies and mess men who performed all the associated menial tasks. As dining facilities in the United States were turned over to contractors, however, the military food service community became much smaller and shifted their focus and expertise from the running of large facilities to preparing meals in support of expeditionary forces in hostile environments. In the early days of Operation Iraqi Freedom military cooks prepared meals from a number of prepackaged sources. As the theater matured, however, “expeditionary” rations were no longer acceptable to the average 20-year-old palate; something more substantial and tasty was required. Rather than attempting to redirect, retrain, and vastly expand the military food service community, the US military turned to contractors. Today the dining facilities on large bases in Iraq and Afghanistan resemble the food courts on a college campus, with main-lines, short order-lines, salad bars, and a variety of choices. With civilian personnel ready, willing, and able to do the work, there was no need to divert military personnel to such mundane tasks. Food service is a particularly sensitive topic with unit commanders because in the past they deeply resented the constant diversion of personnel to serve in dining facilities.

Interpreters

Conflicts overseas, especially counterinsurgencies, require a large number of interpreters so US forces at every level can communicate with the local populace. Although the military is expanding its number of linguists, large-scale operations require thousands of interpreters. The military will never have enough personnel skilled in any particular language (except Spanish) to cover more than a small proportion of its total requirements. Contractors will always provide the bulk of this capability.

Security

Most controversial of the contractor functions is security. These contractors number somewhere near 10,000 personnel. Only about two-thirds are actually armed. The bulk of these security forces are non-Iraqi, uniformed, and often indistinguishable from military personnel. The media have reported numerous stories of security contractors killing and terrorizing civilians. An incident in Baghdad on 16 September 2007 caught the nation’s attention as security guards, in an effort to escape from a car-bomb threat, were alleged to have fired on innocent civilians, killing and injuring dozens.

There is a great deal of misunderstanding associated with the functioning of these security personnel. About three-fourths of these security contractors protect fixed facilities inside major bases and never venture outside the wire. Although the requirement for interior guards was always recognized, a 2005 suicide bombing at a dining facility in Mosul highlighted the need for screening personnel entering heavily populated facilities. Some of these internal security personnel are military, but the majority are contractors. These security guards are generally TCNs; for example, Salvadorans guard the US Agency for International Development compound in the Green Zone, Ugandans guard facilities for the Marine Corps. The main function of these security guards consists of screening personnel entering facilities by checking identity cards. The majority of this group has never fired a shot in anger. They are more akin to the security guards one sees in the United States guarding banks or shopping malls.

The Bodyguards

It is the bodyguards, or personal security details (PSDs), that have attracted the most attention and engendered the greatest controversy. Although comprising only one percent of all contractors, they are responsible for virtually all of the violent incidents appearing in the media. These PSDs come from a handful of specialized companies—Triple Canopy, DynCorp International, Aegis Security, and the now-infamous Blackwater, USA. Frequently portrayed as “rogue mercenaries” they are, in fact, highly professional. Nevertheless, the nature of their function is problematic.

A key issue is that most of these PSDs work for the State Department and have been, until recently, outside military control. Historically, the State Department has had three layers of security for its personnel. The outer layer is the host nation, which is responsible for the protection of all diplomats and diplomatic facilities in its territory. The inner layer is the Marine detachment, which guards the core of the fixed facility.² Between these two layers has always been a layer of contract guards. The State Department’s security arm, the Bureau of Diplomatic Security, coordinates, plans, and trains but does not, with a few exceptions, provide security forces.³ Thus, in Iraq this contractor layer expanded as diplomats required protection whenever they left the diplomatic facility. These large groups of armed personnel operated independently, with almost no coordination with the military. The 2004 ambush of Blackwater guards in Fallujah, where four guards were killed and their bodies hung from a bridge, occurred in part because Blackwater had not coordinated with local military authorities.

Another major concern is what many refer to as the bodyguard mindset. To a bodyguard the mission is to protect the principal at all costs. “At all costs” means just that; costs to the local populace, to the broader counterinsurgency effort, to relations with the host government all appear to be irrele-

vant. If the principal's car is stuck in traffic and that delay poses a risk, then these contractor bodyguards will smash their way through the intervening cars of local civilians in an effort to escape the danger. If traffic is too slow and that poses a risk, the bodyguards will often switch into the oncoming lanes and open a way by threatening cars with their weapons. Blackwater, for example, prides itself on never having lost a principal. For bodyguards this is the only measure of effectiveness.

The lack of coordination and the bodyguard mindset led to the shooting incident of 16 September 2007 in which a number of Iraqi citizens were killed and wounded. In response, Congress held hearings, and Blackwater was vilified in op-eds across the country. The Department of Defense (DOD) and the State Department finally issued new guidelines that brought contractors under military control, required State Department security officials to accompany every convoy, installed video cameras in contractor vehicles, and clarified the rules on the use of force.

How Did We Get Here?

LOGCAP

Commentators point out that US forces have always employed contractors on the battlefield. In Operation Desert Storm, for example, more than 9,000 US civilian contractors deployed. In Bosnia contractors provided planning services and training to local allies. Members of the media noted at the time this growing "privatization" of military support.⁴ Although contractors made useful contributions, they were still marginal players, providing specialized functions that were not large in scope and not fundamental to regular military operations. This changed with establishment of the Logistics Civil Augmentation Program (LOGCAP).⁵

LOGCAP, periodically recompeted and now in its third iteration,⁶ is an ongoing contract, "for the use of civilian contractors to perform selected services in wartime to augment Army forces" in order to "release military units for other missions or [to] fill shortfalls."⁷ The original concept was quite simple: The contractor would keep a list of willing and qualified personnel along with the ability to rapidly recruit these individuals. In peacetime there would essentially be no cost to the government, not even the training and personnel costs associated with reserve units. When a conflict occurred and the military needed augmentation, the contractor would provide personnel with specified skills at the required location. Because the contract was already in place, this augmentation could happen quickly. First used extensively in Bosnia, LOGCAP today provides the extensive logistics and base services that have become so familiar in Iraq and Afghanistan.

But why was LOGCAP needed at all? To answer this we need to examine the Army’s post-Cold War force structure.

The Army’s Force Structure

During the Cold War the Army planned to use all of its combat forces—18 active divisions, nine separate active brigades, ten National Guard divisions, and 20 separate reserve brigades—in the event of a conflict with the Warsaw Pact.⁸ This force structure was driven by the size of the enemy and the demands associated with a global war against another superpower. Force planners also were required to provide a full complement of support units for these combat units.⁹ Such support is extensive and central to understanding the current reliance on contractors.

Although everyone recognizes the importance of support forces, frequently they become invisible as military histories and combat narratives focus on the combat forces. To understand support forces better, analysts often use the concept of the brigade (or division) “slice,” that is, all the personnel in a combat unit plus a proportional share of all the deployed support forces at corps and theater level. Although the Army now uses a more sophisticated methodology called the Total Army Analysis (TAA), the older methodology provides useful insights.¹⁰ Figure 2 reflects the size of these slices in various conflicts.

Personnel	WWII	Vietnam	Desert Storm	Congressional Budget Office Historical Average
Combat Brigade (including divisional support)	4,500	4,500	4,500	4,500
Non-Divisional Support	10,000	12,200	9,400	9,750-10,500
Total	14,500	16,700	13,900	14,250-15,000

Figure 2. Average Brigade Slice¹¹

What is clear is that the total brigade slice remains constant at about 14,000 to 16,000 personnel. Although that number may appear large and has resulted in much hand-wringing about tooth-to-tail ratios, the fact is that forces deploying globally into regions without extensive infrastructure are required to bring their own support. The traditional US reliance on firepower and maneuver, rather than human mass, has also led to the creation of a large combat support establishment.

Post-Cold War

Instead of a global war against another superpower and its allies, strategic planning following the Cold War called for preparations against two

nearly simultaneous regional conflicts, notionally Korea and Iraq. Such planning envisioned the same kind of high-intensity conventional conflict that typified the Cold War but not on the same scale or timeline. The wars were envisioned to be shorter and the force requirement smaller. The experience of Desert Storm seemed to confirm this view of future conflicts—short, violent, and limited. The Army radically changed its force structure to adapt to this new strategic environment.

As the Army shrank from 18 active divisions to ten, ten Guard divisions were being reduced to eight, and the 18 separate Guard brigades were pared down to 15. Also changed was the manner of employment for combat forces. Planners foresaw employing only eight to ten divisions in the two-regional-conflict scenario. That strategy justified the active-duty divisions but left the Guard combat units searching for a mission. The compressed time-lines envisioned for these conflicts made employment of reserve combat units problematic. It was simply not possible to mobilize, train up, and deploy on the envisioned timeline. Recognizing the remote possibility of “adverse circumstances,” planners did “enhance” 15 separate Guard brigades so they could deploy more rapidly with the capability to reinforce the active force in an emergency.¹² The Guard divisions, however, had almost no role and were relegated to a “strategic reserve.”¹³

Planning for support forces reflected this strategy. All active divisions needed a full set of support (from active or reserve support units).¹⁴ The enhanced Guard brigades required some support but not a full set because they were to be deployed in secondary roles. Guard divisions required no support.

	10 Active Divisions	15 National Guard Enhanced Readiness Brigades	8 National Guard Divisions
Combat Unit	Full	Full	Full
Combat and Combat Service Support	Full	Partial	None

Figure 3. Personnel in Post-Cold War Army Units

This meant that support forces could be substantially reduced. In reality, even this lower goal was not met and the Army accepted “risk” in its support force. Internal Army analyses showed a shortfall of more than 60,000 soldiers.¹⁵

The Unexpected War

Initial combat operations in Iraq followed the expected pattern. Forces were limited, timelines were short, and combat was violent. Then came a pro-

tracted insurgency requiring the continuous employment of large combat forces. This was unexpected. Active-duty combat forces were able to handle the initial combat phase and even the first occupation rotation. At that point, however, active-duty combat forces needed a rest. Reserve combat forces were placed into the rotation, resulting in 2004-2005 being called “the year of the reserves.” As the conflict wore on, essentially every National Guard combat unit was deployed to some theater—Iraq, Afghanistan, Bosnia, or Kosovo. A major problem then arose—planners had not provided sufficient support forces to sustain all the combat organizations. The National Guard combat units had not been expected to need this level of support.

Adding to the shortfall were what was termed “executive agency” agreements. Under these agreements the Army provided certain combat and logistical support to other services, for example, fuel delivery and base defense for the Air Force, long-distance trucking for the Marine Corps. Never fully resourced, these requirements now demanded thousands of personnel.

The solution was contractors. They would fill the huge gap between the support force that was needed and the military support forces that were available. The following figure reflects the situation. The historical brigade slice represents the personnel needed to support an average brigade in combat based on experience and prewar planning. The actual brigade slice shows what occurred in Iraq.¹⁶ Every brigade required support, even those National Guard brigades for which no support had been planned.

	Historical Brigade Slice	Actual Brigade Slice in Iraq
Combat	4,500	4,500
Military Support	9,750-10,500	4,000
Contractor Support	--	5,500
Total	14,250-15,000	14,000

Figure 4. Historical and Actual Brigade Slices

Future Conflicts

The Army is currently expanding from 482,400 to 547,400 soldiers. This expansion could have reduced dependence on contractors by channeling all the additional personnel into support units. But it has not. Although some of this additional manpower is being integrated into support units, the majority is going to combat units. The purpose is clear—reduce stress on personnel by increasing the number of units in the rotation base. Army leaders have repeatedly cited the need to lengthen the time units spend in the continental United States. In all their testimony related to expanding the force Army leaders have never expressed a desire to reduce dependence on contractors.

The Army is developing a strategy based on a future of “persistent conflict” where every combat unit, active and reserve, deploys on a regular basis.¹⁷ Indeed, the Army’s planned force structure does not make strategic sense without the implicit expectation of continuous deployments. As a result, the Army will continue to depend on contractors in support of deployed forces.

The Scandals

Any discussion of contractors on the battlefield must acknowledge the many problems that have accompanied their presence. None of the military services, despite a decade of rhetoric related to the spectrum of conflict, anticipated the force structure demands of current conflicts. Planners had not thought through the implications of the extensive use of contractors on the battlefield. During the 1990s the number of military contract specialists had dramatically declined as the services moved personnel from infrastructure billets to warfighting positions. That shift made sense in a static, peacetime posture but left the contracting community unable to handle the surge in wartime demand for contracting actions and contract oversight. Consequently, the Army “sent a skeleton contracting force into theater without the tools or resources necessary to adequately support our warfighters.”¹⁸ Understrength and unprepared for the accelerated tempo of expeditionary operations, and forgetting the lessons learned from previous experiences in Haiti, Bosnia, and Kosovo, the contracting and contract management force was overwhelmed.

Evidence of a failing process began with the simplest of measures. For a long time the military did not even know how many contractors there were, due primarily to the contracting process being decentralized and uncoordinated.

The most damaging result, however, was a lack of oversight and the accompanying susceptibility to corruption that tarnished both the services and the contractors. A litany of stories emerged as the services, particularly the Army, attempted to cope. Contracts were poorly structured, improperly priced, and inadequately supervised. The entire contracting chain—from initial specification to contract design, award, management, and final audit—was broken. By the summer of 2008 government agencies had conducted more than 200 criminal investigations relating to contract fraud in Iraq and Kuwait.¹⁹ In this environment of limited oversight and plentiful dollars, government officials, military and civilian, proved to be susceptible to corruption. As of this writing, 23 government employees have been charged or indicted.²⁰

Another complicating factor was that, unlike the military, contractors were unprepared for the demands associated with managing large numbers of personnel in a combat zone. Accusations arose related to sexual harassment, deceptive advertising, forcing third-country nationals to finish contracts against their will, and inadequate response to death and injury.

***“The bottom-line for planners is that contractors
are an integral and permanent part
of US force structure.”***

Finally, contractors have, until recently, inhabited a legal limbo. The Coalition Provisional Authority exempted contractors from Iraqi law; a move that was not unreasonable given the country’s chaotic administrative situation at the time. In theory authorities existed for applying US law (under the Military Extraterritorial Jurisdiction Act, MEJA) or even the Uniform Code of Military Justice (UCMJ), but such authorities had never been exercised, and mechanisms for applying them did not exist. As a result personal misconduct by contractors was not punished in practice. The only remedy was to fire the individuals involved and ship them out of the theater. Further complicating the situation was the fact the legal status of “armed contractors” under international law was unclear.²¹

Some problems have been exaggerated. For example, one of the great fears about reliance on contractors has been that contractors would prove unreliable under stress. Critics have cited Machiavelli’s warning that “mercenaries . . . are useless . . . without discipline, faithless . . .”²² Fortunately, such dire warnings have not proven true. Contractors have continued to do their jobs under even the most dangerous and austere conditions.

Sometimes behavior that is criticized when undertaken by contractors is paradoxically portrayed as acceptable for the military. For example, military convoys were ordered to abandon disabled vehicles rather than risk lives by halting and trying to repair the vehicle. When contractors did the same it was cited as an example of waste and abuse. In fact, such behavior reflects the exigencies of war that affect military and contractors alike. Finally, one should note that complaints about contractors have often been a surrogate for attacks on the current Administration, its decision to go to war, and its management of the conflict. An element, perhaps a large element, of this indirect criticism will fade when the Administration departs.

What About the Cost?

Costs have been particularly controversial, with many complaining that contractors simply cost too much. Although individual contracts may

have been priced incorrectly, in general these complaints are caused by two misunderstandings. First, comparing costs between the military and contractors is extremely difficult because so many military costs are indirect and captured under other categories of expense, whereas the majority of contractor costs are specified in the contract. For example, in the controversy over Blackwater the daily cost of a Blackwater guard was often compared with the cost of a soldier and purportedly showed a huge disparity. “Blackwater costs the government \$445,000 per employee per year; the average Army sergeant earns between \$50,000 and \$70,000 per year.”²³ The missing piece of this comparison, however, is that the contractor cost cited included every associated cost (except services provided in-kind in the theater). The military cost included only “regular military compensation,” it excluded benefits (such as bonuses, family separation allowances, hostile fire pay, and life insurance); family support at home; administrative support in theater (personnel administration, travel arrangements, and any other services that contractors must provide for themselves); post-service veterans’ benefits; in-service education, mid-tour home leave, and post-tour leave; and predeployment training. Another fact associated with the cost of contractors serving as bodyguards is that many have more experience and specialized skills than the average sergeant. Consequently, comparing fully loaded contractor costs with military pay is highly misleading.

Focusing on the highest cost contractors also obscures the fact that most contractor personnel are locals and TCNs who are generally paid much less than US service members.

Then there is the rotation base. The government pays contractors only when they are at work in theater. When they leave, they go off the payroll. Service members stay on the payroll as they recover from the deployment and prepare for the next one. So for every soldier in theater, there is another one or two at home.

The Congressional Budget Office (CBO) analyzed the cost of having military units replace contractors. The study concluded that, over the long term, using military units would cost 90 percent more than using contractors, and would have high upfront costs associated with equipping the new units.²⁴

The other misunderstanding relates to the actual cost of activities in an overseas theater. CBO calculates that the average cost of supporting a service member in theater is \$325,000.²⁵ While this cost is not directly comparable to a contractor cost, it does give a sense of how expensive it is to maintain a soldier in an overseas theater and why maintaining a contractor in the same theater would be similarly expensive. This applies to mundane activities as well. When all the costs are tabulated, they appear excessive compared with these same activities in the continental United States. For ex-

***“Why use military personnel for a job that
a civilian is willing, able, and often
better qualified to perform?”***

ample, some observers question why it costs \$40 per day to feed a soldier in Iraq but only \$10 a day in the United States. But establishing a food court dining facility in the middle of the Iraqi desert during an insurgency, that offers a wide variety of American-style meals three (or four) times a day, is expensive.

The Way Ahead

A small but vocal group advocates replacing civilian contractors with military personnel. This is not feasible. Replacing the 113,000 contractors in the security and logistics arenas (excluding interpreters and all those in reconstruction) would require a minimum of 250,000 additional military personnel, and when the rotation base and training pipeline are considered the number quickly swells to more than 400,000 as a high-end estimate.²⁶ With the Army struggling to meet the more modest target of its current expansion, an increase of 65,000 active-duty soldiers,²⁷ such a large expansion would appear impossible without reconstituting the draft. Since a draft is opposed by the military leadership, politicians, and the American people as a whole, reinstating conscription is infeasible, whatever its attraction for op-ed writers. As noted in the discussion of what contractors actually do, there is little to be gained in terms of capability, control, or cost by replacing contractors with military personnel.

The personal security details are the one exception. Here the numbers are small enough that replacing them with government personnel (military or civilian) would be feasible, and the numerous problems discussed earlier in this article might make such replacement worth considering. Because the military is reluctant to acquire the new mission of providing bodyguards to the State Department, another solution could be the expansion of the State Department's existing security service. This would not save money. A Department of State spokesman cited the full cost of a government employee bodyguard at \$500,000 per year, excluding the fixed costs of creating

a new capability.²⁸ The shift from contracted to governmental capability would appear prudent from the policy and control perspectives.

The fact is that contractors have become as much a part of military force structure as reserves. They are a necessary element for conducting protracted warfare with a limited, all-volunteer force. How then should we plan for and employ a force that includes such a large number of contractors? Much work has already been done in response to a number of the problems that have arisen in Iraq and Afghanistan. When these actions are fully implemented, the management and oversight of contractors will finally be where it should have been in March of 2003.

The most comprehensive of these initiatives are the recommendations of the Gansler Commission established by the Army in response to some of the structural weaknesses and organizational shortcomings that arose with contracting in support of expeditionary operations. The commission made 40 recommendations in four general areas:

- Adding more civilian and military acquisition personnel.
- Expanding the expeditionary contracting capability.
- Setting better requirements on contracts.
- Instituting better training for both contracting personnel and their customers.

DOD has pledged to implement all these recommendations and has already instituted many.²⁹

The Army also established a task force led by Lieutenant General N. Ross Thompson to review all Kuwait contracts. This builds on previous anti-fraud efforts by the Army's Criminal Investigation Command. Additionally, contracting has been centralized in the Joint Contracting Command-Iraq. The result is tighter control over contracts and contractors. The effect of this consolidation is reflected in the reduction of problems associated with contracting. With centralized control the military can finally count the number of contractors it employs.

Contractor personnel practices have caught up with the demands of operating in a combat zone. Advertising accurately portrays the rigors and dangers of the operating environment, medical and insurance programs have been upgraded, and disciplinary procedures established. The legal regime for contractors has been clarified; Congress amended the UCMJ to clearly cover civilians in support of military operations, and the Department of Defense has issued the necessary implementation guidelines. Legal action against civilians can now be taken either by the Department of Justice under MEJA or by DOD under the UCMJ. The first court-martial occurred in June of 2008. The legal status of "armed contractors" under international law is still unclear.

“It is the bodyguards, or personal security details (PSDs), that have attracted the most attention and engendered the greatest controversy.”

The Departments of Defense and State have signed an agreement establishing tighter operational control over contractors.³⁰ This agreement clarified a broad array of policies related to private security contractors, from personnel qualifications and training to allowable weapons, rules of engagement, and detention procedures. Movement of all contractors in theater, including those working for the State Department, must now be coordinated with the military. National and regional operations centers track and coordinate such movements, integrating them with military operations. Independent movement, such as that leading to the ambush of the contractors in Fallujah in April 2004, no longer occurs.

The most difficult change, however, is cultural. As the Gansler Commission noted, “The Operational Army does not yet recognize the impact of contracting and contractors in expeditionary operations and on mission success.”³¹ The Defense Science Board went even further, calling contractors the “fifth force provider in addition to the four services.”³² Internalizing and institutionalizing what this means goes well beyond the staffing, organizational, and training changes that are relatively easy to implement. Both groups also made similar recommendations: inclusion of contractors in planning and exercises so that the combatant commanders know what support they can rely on, training for commanders so they know how to employ contractors and how to use contracts as a command and control mechanism, and the creation of contract planning staff positions in operational headquarters. In addition the contracting community’s expectations need to change from a peacetime, home station, methodical operations environment to the austere living conditions, time-sensitive tasks, and rapid adaptation demanded in an expeditionary environment. These cultural changes take time and are by far the most difficult to effect.

Conclusion

There is still a great deal of hand-wringing related to “relying on mercenaries” and nostalgia about returning to an all-military warfighting

force. As a result many are in denial with regard to contractors. But it is time to move forward. The experiences in Iraq and Afghanistan have shown what future conflict will look like when fought by an all-volunteer force. On the whole the record is vastly superior to the experience in Vietnam, a war fought by a conscript Army. Gone are the mutinies, “fraggings,” drug abuse, and indiscipline that marred the Vietnam force, particularly in the latter phases of the war when America’s support had waned. Contractors are part of what makes the all-volunteer force viable in an extended conflict.

An analogy can be made to the use of reserve units. For most of the twentieth century reservists were regarded as second-string players who would be useful only in an emergency. The active-duty force was much easier to train, employ, and control. Gradually, however, driven by necessity, planners learned how to integrate reserve forces to the point where such actions are now routine. The same evolution should take place for contractors. The issue is not whether we need them—we do—the real issue is how rapidly can we build the structures, doctrine, and strategy to employ them effectively.

NOTES

1. Data from Congressional Budget Office, *Contractors’ Support of U.S. Operations in Iraq* (Washington: Congressional Budget Office, August 2008); Jennifer K. Elsea, Moshe Schwartz, and Kennon H. Nakamura, *Private Security Contractors in Iraq: Background, Legal Status, and Other Issues* (Washington: Congressional Research Service, 11 July 2007); Testimony of Jack Bell, Deputy Under Secretary of Defense (Logistics and Materiel Readiness) before the US Senate Committee on Homeland Security and Governmental Affairs, 27 February 2008; Testimony of John J. Young, Under Secretary of Defense (Acquisition, Technology, and Logistics) before the House Appropriations Subcommittee on Defense, 4 March 2008; Department of Defense, *Report on DoD-Funded Service Contracts in Forward Areas*, July 2007; T. Christian Miller, “Contractors Outnumber Troops in Iraq,” *The Los Angeles Times*, 4 July 2007. Figures include subcontractors for the US Agency for International Development but exclude contractors working for the intelligence community. Figures also exclude informal tribal arrangements such as “Sons of Iraq” local security forces.

2. Contrary to many expectations, the Marine embassy detachment does not provide bodyguards for diplomats. It guards the facilities and US citizens and property within embassies.

3. The Bureau has only 480 special agents to cover 150 foreign countries. Inside the United States it does provide bodyguards for the Secretary and visiting heads of state.

4. For example, Eugene B. Smith, “The New Condottieri” and US Policy: The Privatization of Conflict and Its Implications,” *Parameters*, 32 (Winter 2002-03), 104-19.

5. Although established in 1985, LOGCAP was not used extensively until the 1990s.

6. KBR holds the current (third) contract. The fourth has recently been awarded to multiple contractors because of its large size: KBR, DynCorp, and Contingency Management Group.

7. Department of the Army, Army Regulation 700-137, *Logistics Civil Augmentation Program (LOGCAP)* (Washington: Headquarters Department of the Army, 15 December 1985), para.1-1. LOGCAP is explicit that it covers only support functions and no functions “that would jeopardize (the contractors’) role as a noncombatant.”

8. Some of the reserve brigades were “round out” to active-duty divisions, which did not have their full complement of three brigades. One separate combat brigade was actually in the Army Reserve, an anomaly since the Army Reserve customarily fields only support units. This brigade was deactivated during the post-Cold War drawdown.

9. This was true as a first approximation. In fact, the last deploying Guard division or two lacked a full set of support on the theory that they would be relieving previously deployed divisions on the front lines and could fall in on their support.

10. The Army planners today point out that division (and brigade) slices are no longer the way support forces are planned. But division (and brigade) slices are a useful description and approximate TAA results. TAA gives similar overall numbers but a much better mix of units tailored to specific kinds of campaigns.

11. These figures do not account for host nation support. They do exclude personnel for non-Army missions such as pacification, training teams, support to other services, and special operations forces. Historical averages from “An Analysis of the Army’s Force Structure: Summary” (Washington: Congressional Budget Office, 1997), 3-4 and Richard D. Lawrence and Jeffrey Record, *U.S. Force Structure in NATO: An Alternative* (Washington: The Brookings Institution, 1974), 81-82. Desert Storm figures from *Conduct of the Persian Gulf War: Final Report to Congress* (Washington: Department of Defense, 1992). World War II figures from Martin van Creveld, *Fighting Power: German and US Army Performance, 1939-1945* (Westport, Conn.: Greenwood Press, 1982), 59.

12. Originally called “enhanced separate brigades” they were later renamed “enhanced readiness brigades”.

13. The strategy and required forces are described in Les Aspin, *Report on the Bottom Up Review* (Washington: Department of Defense, 1993) and William S. Cohen, *Report of the Quadrennial Defense Review* (Washington: Department of Defense, 1997). For a description of the lack of a role for National Guard combat forces and the overall shortage of support forces, see Congressional Budget Office, “An Analysis of the Army’s Force Structure,” 6-8.

14. Because reserve support forces relied more on individual skills than unit skills and did not require the high level of interunit coordination that combat units did, reserve support units were expected to be ready in time to meet the rapid deployment schedules of regional conflicts.

15. This distribution of support to combat units was an underlying assumption of successive Total Army Analyses during the 1990s. The disparity between a shortfall in support and an excess of combat units was noted in several studies of the time, for example, the Commission on Roles and Missions of the Armed Forces (*Directions for Defense: Report of the Commission on Roles and Missions of the Armed Forces* [Washington: Government Printing Office, May 1995], 2-24). As a result, six National Guard combat brigades were eventually converted to support units. Although helpful, this conversion reduced the shortfall by only about 20,000 spaces. Later TAA analyses expanded support force requirements so that the shortfall grew.

16. The brigade slice calculation in Iraq is based on forces in theater in early 2008. It excludes military personnel on external missions such as training teams with Multi-National Security Transition Command – Iraq (MNSTC-I) and direct support to other services.

17. Statement of General George W. Casey, Jr., before the House Appropriations Subcommittee on Military Construction, Veterans Affairs, and Related Agencies, 9 April 2008.

18. *Urgent Reform Required: Army Expeditionary Contracting*, Report of the Commission on Army Acquisition and Program Management in Expeditionary Operations, 31 October 2007, 8. Otherwise known as the “Gansler Commission” after the chairman, Jacques Gansler, a former head of defense acquisition.

19. “Statement for the Record,” Gordon England, Deputy Secretary of Defense, Senate Committee on Appropriations, 23 July 2008.

20. Department of the Army, “Army Accepts Gansler Commission Report on Contracting; Commits to Action,” News Release, 1 November 2007.

21. For a full description of contractors’ uncertain legal status, see Marc Lindemann, “Civilian Contractors under Military Law,” *Parameters*, 37 (Autumn 2007), 83-94.

22. Niccolò Machiavelli, *The Prince*.

23. Elise Castelli, “Bill Would Subject Iraq Contractors to Criminal Laws,” *Federal Times*, 8 October 2007, 8.

24. Congressional Budget Office, *Logistics Support for Deployed Military Forces* (Washington: Congressional Budget Office, October 2005), 36-43. In part, savings also occur because contractors make more use of third country nationals whose labor is less expensive than that of US military personnel.

25. Amy Belasco, *The Cost of Iraq, Afghanistan, and Other Global War on Terror Operations Since 9/11* (Washington: Congressional Research Service, February 2008), 51. Excludes investment costs.

26. As noted in the discussion regarding comparative cost, contractors have no rotation base (at least, that the government has to pay for) whereas the military does. This estimate includes one soldier at home for every soldier deployed—less than the desired two soldiers at home.

27. The Army has recently met its increased recruiting targets but at the cost of lowered standards for education and a large number of waivers.

28. Richard Griffin, Assistant Secretary of State for Diplomatic Security, cited in Paul Richter, “Blackwater Warnings Got Little Attention,” *The Los Angeles Times*, 7 October 2007, 1.

29. Department of Defense Task Force on Contracting and Contract Management in Expeditionary Operations, *2008 Report to Congress* (Washington: Deputy Under Secretary of Defense [Acquisition and Technology], 2008).

30. “Memorandum of Agreement (MOA) Between the Department of Defense and the Department of State on USG Private Security Contractors,” 12 May 2007.

31. *Urgent Reform Required*, 2.

32. “Report of the Defense Science Board Task Force on Institutionalizing Stability Operations Within DoD” (Washington: Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics, September 2005), 14, 31.