

would continue to strive to maintain the humanitarian ethic on the ground, at the macro level humanitarian activities might be limited to those states lucky enough to have been blessed with rich ore deposits or a favourable political climate and reputation. One could argue that this problem might be handled by the United Nations actually hiring PSCs to provide top cover, thus overcoming issues related to the desired universality of humanitarianism. But this seems unlikely, not only due to the points above, but also given the long list of contentious issues related to the ongoing debate over the development of a stand-alone UN force (points of cost, appropriate capabilities, or control), which would also fall on the private option debate.

Second, once dependent on PSCs for services for which they must pay, humanitarians, especially cash-strapped NGOs, might face a financial crunch necessitating a reduction in activity. Referring again to the Renaissance example, the Swiss cantons knew that there was a substantial market for their citizens' highly valued services and prices were inflated accordingly.<sup>40</sup> In comparison, the current state of the private security industry may be susceptible to providers taking substantial economic rents. While the private security business is booming worldwide, the marketplace, as noted in *The Wall Street Transcript*, is incredibly fragmented.<sup>41</sup> As such, the distribution of competition, both service-wise and geographically, may permit this excessive rent seeking behaviour. It is certainly the case that not all PSCs provide services applicable to the needs of humanitarians. Consider also the current trend towards amalgamation of PSCs, creating less choice for the security consumer. In 1996, DSL, for example, joined ArmorGroup which itself is a division of ArmorHoldings. In light of this other similar acquisitions, ArmorHoldings has been labelled a growth through acquisition oriented company in a marketplace that is currently undervalued and thus presents no barriers to further acquisitions.<sup>42</sup> In fact, ArmorHoldings was included in *Fortune* magazine's 1999 list of "America's 100 Fastest Growing Companies". In a corresponding way, PSCs based in the state of operations, while offering greater levels of expertise and professionalization than other options, may capitalize on this advantage and the desperation of a humanitarian organization in an unsaturated marketplace.<sup>43</sup> Obviously, humanitarians will continue to require security obtained through various means, but the commodification of security may pose a financial challenge for humanitarians lacking competitive choice or access to redress via national or international anti-trust regulations.

Finally, placing humanitarianism entirely in the hands of private actors entailed in a NGO-private security relationship might remove any outside diplomatic pressure directed at solving the problems that led to the humanitarian crisis in the first place. Management and

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<sup>40</sup> James Larry Taulbee, "Reflections on the Mercenary Option," *Small Wars and Insurgencies* 9 (Autumn 1998), p. 155.

<sup>41</sup> *The Wall Street Transcript* (17 April 2000).

<sup>42</sup> *Ibid.*

<sup>43</sup> For instance, before the arrival of UNTAF in Somalia, many humanitarian organizations were forced to rely on local "technicals" from warring clans. This situation was in fact a protection racket where NGOs paid the technicals, usually young men in machine gun laden pick-ups, not to steal relief food and medicine. Moreover, because the pay was high, the number of technicals quickly multiplied. Correspondence, Lansana Gberie, Researcher, Partnership Africa Canada, 28 March 2000.