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Private Security Firms in Afghanistan: Business as Usual?

By: Jonathan Preece

On Tuesday March 15, the Afghan government announced its plans to phase out the majority of private security companies currently operating in Afghanistan and replace them with Afghan security forces. The plan stipulates that foreign embassies and other diplomatic missions operating in Afghanistan may continue utilizing the services of private security firms at their discretion. However other entities such as the NATO led ISAF mission and various foreign aid agencies must cease contracting such companies within the next 12 months. When this 12 month period has lapsed, the responsibility for securing NATO supply chains and international development efforts will shift to Afghan security forces. More specifically, these new responsibilities will be assumed by the Afghan Public Protection Force, a government arm intended to take over the country's hugely lucrative commercial security industry.

The process of removing private security firms from Afghanistan first began last August when President Hamid Karzai issued a decree banning a large number of these companies. NATO welcomed this move as part of a larger effort to transfer security operation to the Afghan National Army and Police forces. However the implementation of this plan was slowed by concerns that Afghan forces would not be able to fill the security gap created by the expulsion of private security firms. Many development groups that have relied on these companies worried that Afghan forces were ill-equipped and not being trained fast enough to take on these new responsibilities. Indeed, by December 2010, these concerns appeared accurate as recruitment and training efforts had not yet produced a large enough security force. However, following a secret investigation into the 52 licensed companies operating in Afghanistan, Karzai expressed a renewed commitment to removing these firms from the country.

According to this report, 80% of the licensed companies working in Afghanistan had committed an offense including 16 which were cited for "major offenses." These serious offenses included the illegal use of weapons, illegal hiring procedures, vehicle offenses, and tax evasion. In response to these allegations, company representatives argued this list of offences amounted to a shakedown by the Afghan government. However, in addition to the 12 month timeline announced on Tuesday, Karzai followed up on December's investigation by ordering 45 companies to comply with tighter regulations and demanding that another 7 disband immediately. Explaining the rationale behind this decision, the Afghan Interior Ministry stated; "Based on our commitment to transparency and the rule of law, the private security companies have been informed that they have been dissolved because of their connection to officials of the Islamic Republic of Afghanistan."

International reaction to Tuesday's announcements was mixed: some criticized this decision as falling short of an all-out ban while others interpreted this as a positive step towards Afghan independence. For its part, NATO welcomed Tuesday's announcements. Speaking on the issue, Deputy Commander of ISAF forces, Lieutenant General James Bucknall commented that the Afghan government's decision to shut down private security companies that were found to have affiliations with Afghan officials sent a strong message that the Afghan government is committed to reducing corruption. However some media reports were critical of the fact that companies such as Xe Services – the

highly controversial contractor formally known as Blackwater that has been banded from operating in Iraq – will be able to continue operating throughout Afghanistan for at least another year.

Private security companies have played an active role in Afghanistan since international forces intervened in the country in 2001. They have helped guard Western embassies and international military convoys as well as non-governmental organizations and media companies. A US congressional report earlier this month found that the number of private security personnel working for the US military in Afghanistan had tripled since June 2009, reaching an estimated 18,919 at the end of last year. Mirroring this trend, it is estimated that the British government spent a record £29m on private military contracting in Afghanistan last year. However the use of these companies in Afghanistan has long been a source of criticism and heated debate. Citing high-profile episodes involving civilian deaths, excessive use of force, and allegations of corruption, many have condemned private security firms as operating outside Afghan law and violating international humanitarian standards. Speaking on this issue, US Congressional Security and Defence Subcommittee Chairman Arnaud Danjean stated that a great deal of the controversy related to private security firms stems from a “lack of clear legal framework at the international level, defining the status of these companies and the way in which they carry out their duties.” While private contractors have served a vital security function in Afghanistan, their undefined legal status has allowed them to operate with relative impunity and, as a result, made them highly unpopular amongst Afghan and western observers alike.

The transfer of power from ISAF and American troops to Afghan police and armed forces is scheduled to begin this July with Afghan forces taking responsibility for some of the more peaceful areas of the country. Spreading gradually from region to region, Afghan authorities are expected to take full control over the country’s security operations by 2014.

Further Reading: [Afghanistan Plans Departure of Security Firms, Seven Security Companies Dissolved in Afghanistan, Role of Private Security Contractors in Warzones Discussed, Private Security Firms Paid £29m last year for Contracts in Afghanistan, Afghanistan Lets Blackwater Stay Despite Shakeup of Security Contractors, UN Chief says Afghan Transition to Controlling the Country’s Future Faces many Obstacles](#)

The Perils of Inflation and Unemployment in Autocracies

By: Opher Moses

When political unrest broke out in the Middle-East last month few would have predicted the pace and momentum at which it threatened autocracies across the region. The popular explanation for this wave of political mobilization is that democratic values have begun to break through after years of repressive authoritarian rule. It is true that demonstrators across the Arab World are calling for political reform and have expressed their desire to have a say in the future of their countries (presumably through democratic mechanisms). However, this unrest has also been fueled by a number of economic factors that have served to alienate and disenfranchise a growing number of young people in the Arab World. Specifically, low employment and high inflation rates have contributed to political turmoil that we are now witnessing in Egypt, Libya, Yemen and elsewhere.

According to the International Labor organization the highest rates of youth unemployment are found in the Middle East and North Africa, at roughly 24 percent on average. To put the magnitude of this trend into perspective, roughly 65 percent of the Middle East’s population is under 25 years of age, leaving a significant number of young people without any prospect of economic self-sufficiency. Isobel Coleman, a Senior Fellow with the U.S Council on Foreign Relations, warned in 2006 that in order for the Middle East to keep pace with the region’s population growth, 80 million new jobs would have to be created over the next 15yrs and 100 million new jobs by 2020. But the macro-economic growth of the Arab world has not been able to keep pace with its population leading to a number of social tensions. Coleman warned that although opening up the economies of autocratic governments in the Middle East might be politically threatening, it would be more destabilizing to have millions of unemployed and disenfranchised youths.

According to the U.N.’s 2009 Arab Human Development Report, the majority of Arab countries were less industrialized in 2007 than in 1970. The report pointed to unemployment as a cause for the region’s shrinking public sector, weak private sector hiring, and sub-par education system. The effect that unemployment has had on the quality of education was a particularly significant finding in that it revealed a cyclical problem in many Arab countries. With poor education and few job prospects there

is little incentive to stay in school. However, without an education system that develops marketable skills for young people entering the job market, it becomes much more difficult to attract the foreign direct investment that is needed to create more jobs in the private sector and offset low public sector hiring.

In addition to high unemployment, many countries in the Arab World have been plagued by high inflation rates: an important measurement of the regions purchasing power. The Middle East is an interesting case as most of the governments in the region either directly or indirectly peg their country's currency against the U.S dollar. This means that fluctuations in the value of the U.S. dollar can increase or decrease the price of commodities in the region. These exchange rate pegs also make it difficult to use monetary policy to keep inflation in check as it can disrupt the value of the local currency.

The decrease in the value of the dollar since the U.S recession in 2009 has drastically affected prices in the region and, by extension, individual purchasing-power. In January of 2011, Jordan's government announced a \$169 million plan to reduce the price of commodities, including fuel, sugar and rice in the face of rising popular discontent as year-on-year inflation hit 6.1 percent. Saudi Arabia has initiated deep reforms exemplified by a \$37 billion social benefit plan targeting inflation and unemployment rates. According to an IMF report, inflation pressures have risen in the region owing to a strong domestic demand, rising food prices, and higher rents in the Gulf Cooperation Council (GCC) countries, where an influx of expatriate workers has increased demand for housing. Consumer Price index (CPI) inflation in 2008 was running at nearly 20 percent in the Islamic Republic of Iran, 14 percent in Qatar and over 9 percent in the United Arab Emirates (a 19-year high). These indicators are a good reflection of the economic environment of the region as a whole.

As per data above, these issues have always been prevalent; over time however, they have only grown in magnitude due the lack of diligence on behalf of the autocracies in the Middle East and North Africa. These factors have contributed to an increasingly disenfranchised and discontented youth. With little to no opportunity to affect change through political institutions, the conditions are ripe for political upheaval in many parts of the Arab World.

Further Reading: [United Nations Development Program: Arab Development Report 2009](#), [International Monetary Fund: Country and Regional Perspectives 2008](#), [International Monetary Fund Working Paper: Commodity Prices and Inflation in the Middle East, North Africa and Central Asia](#), [Jordanians March Against Inflation](#), [The Challenge of Arab Unemployment](#), [Saudi Launches \\$30 billion Benefit Plan](#), [Council of Foreign Relations Op-Ed: The Arab World is Experiencing the first Tremors of a Youthquake](#)

Consensus Emerges on No-Fly Zone in Libya

By Cameron Becker

On Thursday the United Nations Security Council voted 10-0 with 5 abstentions in favour of a resolution to impose a no-fly zone over Libya to protect Libyan citizens from attacks by Dictator Moammar Gadhafi's security forces. The vote, which saw five members including Russia and China abstain, calls on all nations to "establish a ban on all flights in the airspace of the Libyan Arab Jamahiriya in order to help protect civilians." It also authorizes UN members to take "all necessary measures...to protect civilians and civilian populated areas under threat of attack in the Libya, including Benghazi, while excluding a foreign occupation force of any form on any part of Libyan territory." This decision comes after weeks of political turmoil in the oil-rich North African state.

After rebels had gained ground on the beleaguered Libyan despot by taking control of key strategic locations, Gaddafi's security forces went on the offensive earlier this week. As pro-Gaddafi forces began retaking towns along the north-west coast of Libya, fears of civil war and civilian casualties came to a boil. Cities along the north-eastern coast that were firmly in the hands of anti-Gaddafi rebels just days ago are now experiencing fierce attacks from Gaddafi backed forces. On Wednesday, Gaddafi's son and outspoken critic of the anti-Gaddafi protests, Saif al-Islam said that the battle for Libya will be over in 48 hours, sparking substantial concerns from governments and human rights groups over the protection of Libyan civilians. As the situation in Libya worsened, the Arab League responded by suspending Libya's membership in the organization and calling for a UN enforced no-fly zone. Earlier this week NATO representatives outlined three conditions for the imposition of a no-fly zone: regional support for the motion, proof that NATO assistance is needed, and a UN Security Council resolution. With these conditions now in place, Alliance Secretary General Anders

Fogh Rasmussen said Friday that NATO was “completing its planning in order to be ready to take appropriate action in support of the UN resolution as part of the broad international effort.” Both Germany and Turkey have thus far opposed the imposition of a no-fly zone over Libya. Turkish officials have argued that supporting a no-fly zone could actually exacerbate the conflict and endanger civilian lives. However, as of Friday afternoon, resistance from these two states appeared to be waning.

Prime Minister Stephen Harper has announced that Canada will be contributing military forces to assist with the implementation of the UN resolution. Speaking to the media on Friday, Harper stated that six CF-18 fighter jets will be deployed from Bagotville Quebec with an aircrew of 140 in support. The prime minister said that to date Canada’s response to the Libyan conflict has included the evacuation of Canadian citizens, imposition of sanctions and calling on Moammar Gadhafi to step down. Despite these actions, the situation in Libya has continued to worsen, said Harper, adding that Canada worked to gain support for the UN resolution and that “we will now take the urgent action necessary to support it.” It is estimated that the jets will reach Southern Europe in 24 hours though their exact destination has not yet been determined. So far Italy has offered to host international forces and Malta has been discussed as a possible base of operations. Along with Canada, the United Kingdom and France are expected to contribute air force, with a number of Arab states such as Saudi Arabia, Jordan, Qatar and the United Arab Emirates playing a supportive role.

This conflict began in early in early February when anti-Gaddafi protesters took to the streets following similar unrest in Egypt and Tunisia. By February 20th the unrest had reached Tripoli and demonstrators began encountering violent opposition from Gaddafi’s security apparatus.

The situation in Libya and the rest of the region remains precarious as demonstrations continue in Bahrain, Yemen and other Arab countries. In Bahrain, following the institution of a state of emergency, 1000 Saudi troops crossed into the Bahraini capital of Manama to support the Bahraini government. Both Bahraini and Yemeni security forces are now facing criticism for firing live ammunition at peaceful protesters. However, as it currently stands, violence has not escalated to the level witnessed in Libya.

Further Reading: [Cannon Cautious as Allies Urge Military Action Against Libya, Too Late for Libyan No-Fly Zone?](#) [Tripoli Eyewitness: City of Fear and Silent Protests](#), [G8 Leaders Consider Libya No-Fly Zone](#), [Bahrain Protestors Decry Military Occupation](#), [Gaddafi Army Penetrates Rebel Areas](#), [Libyan No-Fly Zone: How would you have voted?](#)



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