

https://dspace.org/

The growth of the international private security industry: a market tool to ensure market-oriented growth in sub-Saharan Africa's "petro-states?"

Singh, Priyal

2012-07-02
http://hdl.handle.net/10539/11581

Downloaded from a DSpace repository. https://dspace.org/

Abstract

This paper considers the political economy of sub-Saharan African petro-states, by specifically examining the causal link between recent developments in private military and security provision and trends in the allocation and receipt of inward foreign direct investment to the region. It is argued that private military and security companies are playing an increasingly significant role in the political economies of these countries, by facilitating transnational oil and mining interests and effectively allowing foreign capital to circumvent prior concerns relating to security. To make these claims, this paper assesses a number of cross-national variables relating to institutional quality, economic security and political stability vis-'a-vis inward foreign direct investment. It is found that many of the most poorly governed states in the region are in fact the greatest recipients of inward foreign direct investment, on account of their large and exploitable reserves of crude oil. The growth of the international private security industry is then framed as an effective causal mechanism in this context. It is argued that the industry services the institutional deficiencies of such states, and therefore privately secures foreign investment, insofar that matters relating to good governance are being increasingly minimised vis-'a-vis global investment patterns to the region.