

# The Privatization of War: Is Blackwater Heading for the Holy Land?

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Theme: [Militarization and WMD](#), [Religion](#)

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Jerusalem: a cauldron of nationalistic and religious acrimony, a persistent flashpoint for global crisis. Exactly where you want to put the world's most notorious private security firm.

International Development Solutions, [a recent joint venture between Blackwater-spinoff U.S. Training Center and a different security company](#), just received a task order under the State Department's \$10 billion Worldwide Protective Services contract to protect Jerusalem-stationed U.S. diplos. Jeff Stein reports that the bid is [as much as \\$84 million](#). Israeli drivers, watch out.

But that's not all. According to Stein, Blackwater — ahem, sorry, *Xe Services* — isn't actually part of International Development Solutions anymore. Xe, recently purchased by a [surprisingly crunchy group of investors](#), apparently offloaded U.S. Training Center — although it's likely that its personnel will continue to train on the same Moyock, North Carolina facilities as Blackwater, and "many of its operatives" are Blackwater people, Stein writes.

If so, it would suggest that Blackwater's new owners, known as USTC Holdings, meant it when they played down Blackwater's security tasks. "USTC Holdings, LLC will acquire the Xe companies that provide domestic and international training, as well as security services," it said in a statement last month. Message: we're a *training* company, not a mercenary firm infamous for [shooting Iraqi civilians](#) and [taking guns intended for Afghan cops](#).

We're waiting to hear from USTC Holdings spokespeople precisely what relationship pertains between Xe and International Development Solutions now. It wouldn't be surprising if, as Jeff's reporting indicates, there's still some arrangement between the two — [that's how Blackwater rolls](#).

On the other hand, if the new owners have really divested themselves of the diplo-guarding business, then it may be the end of an era: Blackwater won't have any other contracts with State; and it just lost a big police-training contract in Afghanistan to DynCorp. We'll update when we know more.

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