

“Cashing In” Stars

Does the Professional Ethic Apply in Retirement?

Marybeth Peterson Ulrich

Abstract

A successful career for top senior leaders increasingly features employment in the defense industry. This situation presents a challenge to the service professional ethic. It concerns the trend to offer professional expertise in such a way that it exploits active duty experience to support the private interests of the military-industrial complex. Particularly worrisome are those retired members of the profession who play more than one “national security influencer for profit” role, such as being on the payrolls of a defense firm, a media outlet, and the government simultaneously. Should retired senior officers remain full members of the profession once they start “cashing in” their stars? When do they stop serving? The choice marks a transition from service to the nation to service for self-interest. Such a choice marks the difference between serving the American people and taking advantage of their relationship to influence the expenditure of tax dollars in ways that favor corporate gain over national security. The implications of this behavior have the potential to create harmful effects on the military profession, civil-military relations, and US national security.

* * * * *

High-ranking generals and admirals earn their stars. They earn their stripes. Then, they earn their cash.

—Citizens for Responsibility and Ethics in Washington
“Strategic Maneuvers”

Marybeth Peterson Ulrich is a professor of government in the Department of National Security and Strategy at the US Army War College. She received her PhD in political science from the University of Illinois and a bachelor of science degree from the US Air Force Academy. She is a retired USAF colonel.

The US military has amassed an unsurpassed level of professional expertise, which is available and applicable to many parts of society once a Soldier, Sailor, or Airman retires from active duty. They are extremely valuable national assets whose leadership can be drawn upon to contribute to any number of sectors: education, business, nonprofits, and government. Among those who make the military a career and then seek reentry into civilian life is an elite subset, those who earn flag ranks of admiral and general. These individuals committed fully 25–40 years of service during which they made personal and financial sacrifices to uphold their commitment to the service ethic that puts the nation first. Those who continue to apply the service ethic in private life earn kudos for the military’s institutional stature. Those who lapse into misconduct or conduct inconsistent with the professional ethic negatively affect the public’s perception of the military.

Given the gap in military expertise between the civilian and military spheres, it is natural that some at the top of the military profession will seek avenues to continue to influence national security outcomes beyond their years of active service. One aspect of this activity is the revolving door between active military service and the defense sector—a situation that presents a challenge to the service ethic. Specifically it concerns the trend to offer professional expertise in such a way that it cashes in active duty experience to support the private interests of the military-industrial complex. This article explores the problem of the revolving door, or “second act,” of retired senior military officers and why the situation matters. The implications of this behavior have the potential to create harmful effects on the military profession, civil-military relations, and US national security. However, certain remedies could be adopted to address the issue.

The Problematic Second Act

Pres. Dwight D. Eisenhower’s farewell address is most memorable for its reference to the military-industrial complex. He warned his fellow citizens against overinvesting in defense and urged caution when weighing where to place the national treasure:

Each proposal must be weighed in the light of a broader consideration: the need to maintain balance in and among national programs—balance between the private and the public economy, balance between cost and hoped for ad-

vantage—balance between the clearly necessary and the comfortably desirable; balance between our essential requirements as a nation and the duties imposed by the nation upon the individual; balance between actions of the moment and the national welfare of the future. Good judgment seeks balance and progress; lack of it eventually finds imbalance and frustration.¹

The president added that up to that point “our people and their government have, in the main, understood these truths and have responded to them well, in the face of stress and threat.”² The “good judgment” he deemed as necessary to achieve a balanced approach to the national welfare was largely present in those engaged in public service. However, Eisenhower was concerned that the military establishment was becoming too vast and those in its employ may gain too much influence:

This conjunction of an immense military establishment and a large arms industry is new in the American experience. The total influence—economic, political, even spiritual—is felt in every city, every State house, every office of the Federal government. We recognize the imperative need for this development. Yet we must not fail to comprehend its grave implications. Our toil, resources and livelihood are all involved; so is the very structure of our society. In the councils of government, we must guard against the acquisition of unwarranted influence, whether sought or unsought, by the military-industrial complex. The potential for the disastrous rise of misplaced power exists and will persist. We must never let the weight of this combination endanger our liberties or democratic processes. We should take nothing for granted. Only an alert and knowledgeable citizenry can compel the proper meshing of the huge industrial and military machinery of defense with our peaceful methods and goals, so that security and liberty may prosper together.³

Eisenhower’s taking on of the military-industrial complex was a remarkable occurrence for the retired five-star general. However, could he have predicted that his fellow comrades in arms, members of the American military profession in the generations to succeed him, would become integral players in the “industrial and military machinery of defense” whose actions should be surveyed for unwarranted influence?

Military retirement in the twenty-first century bears little resemblance to that of President Eisenhower or his peers. Gen Omar N. Bradley spent 28 years in retirement before his death in 1981. He served as chairman of the board of Bulova Watch Company, a position that paid him \$20,000–30,000 a year, and acted as a senior military statesman representing the United States at various ceremonies and frequently visiting units and schools.⁴ After his military retirement in 1945, Gen George C. Marshall served as Pres. Harry Truman’s special envoy to China, sec-

retary of state, president of the American Red Cross, and secretary of defense. Marshall refused membership on boards of corporations and turned down generous offers from publishers to write his memoirs. He finally agreed to cooperate with an official biographer but insisted that all royalties go to the Marshall Foundation.⁵ President Eisenhower, himself, retired to his farm in Gettysburg, Pennsylvania. In the postwar era, there were no major debates on whether retired generals still merited inclusion in the profession of arms. They remained available to mentor the generation still actively serving. They made their expertise available to inform the national debate, but compensation for such participation was not necessarily expected. No one questioned the motives behind their commentary on national security. Some entered politics, as Eisenhower did. Others went on to successful careers in business. Most lived comfortably on the federal pension earned through decades of military service.⁶

Today, a successful career for the top senior leaders increasingly features a second act—employment in the defense industry. Particularly worrisome are those retired members of the profession who play more than one “national security influencer for profit” role, such as being on the payrolls of a defense firm, a media outlet, and the government simultaneously. As one retired two-star remarked, “80 percent of my peers turn around and try to sell stuff back to the military.”⁷ Pursuing such revolving-door employment may conflict with a retiree’s continuing obligation to uphold the ethic of the military profession for life.

The *revolving door* refers to leveraging the networks and know-how acquired while working in the public sector to advance the goals of private-sector firms.⁸ Specialized public-sector expertise and connections are maximized for private firms’ financial gains. Of course, it is also possible that the public-sector expertise could be appropriately and ethically leveraged to help companies provide the capabilities most needed for national defense. At issue is not postservice employment itself. Rather, the concern centers on the possibility of conflicts of interest that may arise in such a second act and the targeting of three- and four-star retired flag officers to exploit their “influencer” role with active duty personnel, civilian leadership, and the public at-large in scenarios that do not place primary emphasis on the national interest.

The revolving door between the Department of Defense (DOD) and the defense industry blew wide open in the wake of 9-11. Between

1994 and 1998 50 percent of three- and four-star generals took jobs in the defense industry upon retirement.⁹ This would seem to be an extremely high rate of placement; however, the rate zoomed to 80 percent by 2008.¹⁰ Bryan Bender, a *Boston Globe* journalist who reported on the phenomenon, explained that the numbers alone do not tell the whole story: “More interesting was the sort of blurred lines between the role of these senior officers in the defense industry and their continuing role as official or unofficial advisers to the military.”¹¹ The *Boston Globe* also reported that the recruitment for postretirement positions may occur well before retirement, raising questions about the independence of such senior officers while still in uniform.¹²

It is important to note that the revolving door refers to all senior government officials. The DOD classifies such senior officials as those who served as flag and general officers and civilians whose pay is near the top of the Executive Schedule, Level II pay scale (approximately \$158,000 in 2015).¹³ Government ethics rules require only a one-year “cooling off” period before retired flag and general officers can return to their former agencies and attempt to influence official actions there.¹⁴ *Agency* refers to an officer’s military department and designated entities of the DOD such as the Defense Information Systems Agency, Defense Intelligence Agency, Defense Logistics Agency (DLA), National Geospatial-Intelligence Agency, National Reconnaissance Office, Defense Threat Reduction Agency, and National Security Agency. For example, if an Army general served in a senior position in DLA in his last two years of active duty, he would be prohibited from attempts to represent corporate interests before the DLA and the Army for one year. However, the Army general would not be prohibited from attempting to influence another military department or the other agencies listed above, excluding the DLA (his former agency).¹⁵ These regulations do not prohibit the acceptance of employment. They merely restrict returning to one’s previous agency or department to represent one’s new employer. Behind the scenes, efforts to influence are not restricted.

The feeder system from some commands to certain defense firms is so powerful that successive generations of commanders have been hired by the same firms or into the same field. For example, the last seven generals and admirals who worked as DOD gatekeepers for international arms sales are now helping military contractors sell weapons and defense technology overseas.¹⁶ While the extension of such capabilities to coali-

tion partners may be in US interests, it is critical that such decisions are the result of objective deliberations that do not privilege private-sector interests over national interests. Without such assurances of objectivity, the trust society has in the military to pursue the national interest versus the individual interests of those belonging to the military profession, active or retired, may be undermined. The interaction of the various roles and the consequential effects these conflicts of interest pose deserve further study. In that regard, it is instructive to review some current second acts, the influence-for-profit scheme, and the power of deference.

Some Representative Second Acts

The complexity and potential insidiousness of the undisclosed commercial ties of retired military officers acting as paid consultants for defense-industry enterprises is encapsulated in *New York Times* journalist David Barstow's Pulitzer prize-winning investigation of retired US Army general Barry McCaffrey. While McCaffrey arguably represents an extreme example, the range and potential conflicts in his commercial enterprises and media consultancies illustrate the internecine ties that develop between military officers' private lives as business people and their past public service and insider ties as former esteemed military leaders.¹⁷ According to the *New York Times* investigation, in addition to lobbying for contracts for the defense industry McCaffrey earned five-figure paychecks as a consultant to a private equity firm involved in buying military contractors and has been chairman of an engineering and construction firm, for whose advantage he used his national stature and personal networks. In addition, he maintained contracts with news and media organizations through which he provided allegedly impartial analysis on military- and war-related topics. As such, he is one of the most visible retired generals to "have had a foot in both camps of influential network military analysts and defense industry rainmakers."¹⁸

Retired US Army general Jack Keane, former vice chief of staff of the Army, is another high-profile retiree who has cultivated his roles as media analyst and defense industry rainmaker to amass a fortune in retirement. Keane heads the Institute for the Study of War (ISW), a neoconservative think tank that has the backing of some leading defense contractors.¹⁹ He makes frequent appearances in various media outlets to include *Fox News*, the *New York Times*, and the *BBC*. Simultaneously,

Keane is in the employ of various defense industry clients, including Academi (formerly known as Blackwater) and AM General—the latter of which manufactures Humvees. Furthermore, the retired general is on the board of General Dynamics, a tank and airplane manufacturer, which paid him \$250,000 in 2010 for his services.²⁰ Keane was featured in the *Boston Globe's* investigation that reported he used his active duty network to sell Humvees to the Army at the same time he held a seat on the Defense Policy Board. The *Globe* reported, “Keane contacted Army General Peter Chiarelli, as vice chief of staff the Army’s second-ranking officer, to make the case that the service should continue buying new Humvees, Keane confirmed in an interview. He said he told Chiarelli that he believes the Army needs to maintain a ‘strategic partnership’ with AM General, whose relationship with the military dates back to building Jeeps during World War II.”²¹ In addition to Keane, several other retired generals, including a former chief and deputy chief of Army acquisitions, lobbied Congress to reject the Army’s preference to invest limited resources in refurbishing Humvees in favor of buying new ones. These direct lobbying efforts paid off when Congress overturned the Army plan to refurbish Humvees and directed the purchase of new ones.²² This was an interesting example in that it pitted the judgment of the active duty leadership against the lobbying efforts of retired generals who previously held key acquisition positions but were now in the employ of the firm trying to keep its production line open. One could argue that the generals without the ties to the defense industry were more likely to represent the national interest.

Marine Corps general Anthony Zinni retired in 2000 as the commander of United States Central Command. He then became chairman of the board of BAE Systems, a large US defense contractor, before landing a job as an executive vice president with Dyncorp International. *USA Today* reported Zinni made \$946,000 in a single year at Dyncorp.²³ He also served as president of international operations for M.I.C. Industries, Inc., a company focused on the construction of mobile buildings in postconflict areas.²⁴ The company’s “inner circle advisory board” is composed exclusively of a former chairman of the Joint Chiefs of Staff (CJCS); a former secretary of defense; a former Supreme Allied Commander, Europe and national security adviser; and a former deputy secretary of state.²⁵

In addition to several investigative journalism efforts, public watchdog organizations have also taken note of the revolving door from the Pentagon to the private sector. Citizens for Responsibility and Ethics in Washington (CREW) found that 76 of 108 (70 percent) three- and four-star generals who retired between 2009 and 2011 took jobs with defense contractors either as full-time employees or as highly paid part-time consultants.²⁶ CREW focuses on ethics and accountability in public life and targets government officials who sacrifice the common good to special interests.²⁷

Another example is Lt Gen David Deptula, who retired from the US Air Force (USAF) on 1 October 2010. His last assignment was as the deputy chief of staff for intelligence, surveillance, and reconnaissance (ISR). CREW reported Deptula signed on as the chief executive officer and managing director of Mav6, an aerospace and defense-technology company, a few months after retirement. Mav6’s founder, chairman of the board, and president is retired US Army major general Buford Blount, who commanded the Third Infantry Division at the time of his retirement in 2005.²⁸ In March 2011 Mav6 won an \$86.2 million contract to develop an unmanned aircraft to conduct persistent ISR missions. However, the USAF cancelled the program in 2012 due to schedule delays and accumulated cost overruns. CREW reported Deptula is also a consultant at Burdeshaw & Associates, a firm comprised mostly of part-time retired generals who advise private companies—mostly in the defense industry—on how to do business with the military.²⁹ In addition, he has consulted for Northrop Grumman and served on the strategic advisory council of the SI Organization, which was rebranded as Vencore in 2014.³⁰

Recruitment to serve on corporate boards is another avenue available to retired flag officers. Increasingly companies are recruiting retired flag officers to serve on boards of directors. In 2012, the National Association of Corporate Directors launched a program aimed at recruiting retired generals and admirals to serve on corporate boards.³¹ Service on corporate boards enables retired flag officers to draw hefty compensation for appearing at a few events, assisting the company to leverage the retiree’s connections to enhance its business.³²

For instance, according to the CREW report, Gen James Cartwright, who retired from the Marine Corps in 2011, was elected to the Raytheon Company board of directors soon thereafter—a post that paid an

\$85,000 annual retainer. He received a \$1,500 speaker fee for each appearance, even if he spoke via teleconference—in addition to \$120,000 in stock options.³³ That same year, the Pentagon paid Raytheon \$14 billion. Cartwright is also a member of the board for TASC and is on the advisory board of Accenture Federal Services, which are both federal contractors.

Companies, interest groups, labor unions, and single-issue organizations all together spend billions every year to lobby Congress and federal agencies to shape legislation and regulatory policy. Some organizations employ lobbying firms, while others have their own in-house lobbyists.³⁴ Retired senior military officers are employed in both categories, and some are registered lobbyists subject to the laws governing that vocation. However, most who reach back to influence decision makers still in the active forces bear the label “consultant” or part-time adviser. For example, General Keane, who lobbies Congress on behalf of his defense industry clients, explained that he is not required to register as a lobbyist because he does not spend more than 20 percent of his time lobbying.³⁵ Some have pointed out that it is virtually impossible to enforce rules governing this situation.³⁶

CREW reports that the top five defense corporations increased their spending on lobbyists 40 percent between 2007 and 2011, from \$44.6 million to \$62.3 million. The vast majority of lobbyists for the top five defense corporations have passed through the revolving door of previous public-sector employment. However, retired flag officers prefer the term “consultant” rather than lobbyist. General McCaffrey characterized his lobbying efforts on behalf of Defense Solutions as “strategic counsel.”³⁷ Such *counsel* may influence outcomes similarly through the counselor’s special access. In fact, the consulting firm Burdeshaw Associates is known as the “go to” firm to “rent a general” available to *consult* in support of the objective of gaining defense contracts.³⁸

At issue are the effects on national security when the interests of private companies intersect with individual interests and conflict with national interests.³⁹ The hiring habits and compensation policies of the major defense corporations indicate they increasingly value well-connected lobbyists and retired senior military personnel to influence the fight for defense resources in the long-term austere budget environment.

Influence for Profit

While there are significant issues to discuss associated with retired generals using their status to assist defense business interests, the situation is compounded when this activity occurs simultaneously with employment by the military for their expert knowledge—the main credential for certification as a member of the military profession. Retired generals have long informally mentored their active duty counterparts, often their own protégés, passing on the wisdom of senior leaders to the rising generation of commanders and military leaders. However, in recent years the Pentagon established a formal “senior mentor” program that paid retired generals what many regarded as excessively large fees for helping to run war games and advising their former colleagues. *USA Today* made the program widely known in 2009 with a front page story reporting that 158 admirals and generals had participated in the program; their pay was well beyond what their active duty pay had been. Mentors were not subject to government ethics rules since they were hired by defense contractors and not directly by the government. Furthermore, as contractors they were not subject to public scrutiny. Most troubling was the fact 80 percent had ties to defense contractors and 29 were full-time executives at defense companies.⁴⁰

The recent growth in the use of mentors has created a new class of individuals who enjoy even more access than a typical retired officer, and they get paid by the military services while doing so. Most are compensated both by taxpayers and by industry, with little to prevent their private employers from using knowledge these employees obtain as mentors to gain government contracts for their respective companies.⁴¹

Congress and Secretary of Defense Robert Gates looked into the program, noting deviations from previously held professional norms and expectations. Gates’s press secretary passed on the secretary’s concerns about the program: “He fundamentally believes that the money is obscene for government work, and that those participating in this valuable program should be motivated to do so out of a sense of patriotism and service rather than out of monetary gain.”⁴² Pentagon spokesperson, Geoff Morrell, called for a balance between leveraging the expertise of retired senior military leaders and compensating them “in a way that most people would expect government employees and government consultants to be paid.”⁴³

In response to pressure from the Senate Armed Services Committee to address the issue, in April 2010 the Pentagon issued new rules requiring mentors to convert to the more tightly regulated “highly qualified expert” (HQE) position. This subjected mentors to federal conflict of interest laws, capped pay at active duty general pay, and—most importantly—mandated the filing of public financial disclosure documents detailing their employers, earnings, and stocks. The new rules also restricted HQEs who annually worked more than 60 days for the government from representing private-sector clients to the DOD for one year after their military contract.⁴⁴ Because of these regulations, 98 percent of the retired senior officers left the program.⁴⁵ As one government watchdog tracking the program noted, “It appears that, for at least some of the former military officers who dropped out of the mentors program, it’s clear which choice they made when it came to patriotism or money.”⁴⁶

The Power of Deference

One reason the defense industry prefers retired senior officers to represent its interests is because senior military officers are considered to be “above reproach” and the “moral exemplars” of those coming up the ranks.⁴⁷ The “general-turned-businessman” is treated with deference as if still in uniform, which can greatly increase effectiveness as a rainmaker for industry. Most expert civilian colleagues are not. Some have dubbed this the “bobblehead effect,” referring to the military’s ingrained hierarchy and deference to authority, wherein those junior in rank defer to those senior.⁴⁸ While civilians in the employ of Congress or the executive branch have long left their jobs to do the bidding of the industries they used to oversee, the military’s culture brings a unique element to the phenomenon: “Once a general, always a general” is a well-known adage in military circles. Bryan Bender elaborates, “When you talk to some of the people who sit in some of these meetings of advisory panels and the sort of mind-numbing number of these commissions and other bodies that advise the military, if there’s a retired four-star general in the room, he’s going to get a level of respect. People are going to hear him out in a very real way—as if he’s still a general and he didn’t leave the military.”⁴⁹

Former Congressman and current Senate candidate Joe Sestak, who is a retired three-star admiral, made note of the deference to one's prior military status when retirees are brought in to interact with active duty personnel in an advisory capacity: “Rank did mean something. The principal guy in the room really drove the thing. There is a hesitancy to question them.”⁵⁰ The lasting impact of rank in national security circles also plays out when former superior officers pitch their products and firms to their previous subordinates. As retired Army general William Kernan noted, “I didn't like people doing it to me when I was a four-star, a three-star, even a two-star—using a previous relationship as an entree to selling me something.”⁵¹

These factors help explain why the rent-a-general and its potential for conflicts of interest fly below the radar of both the oversight committees in Congress and the public at large. As Melanie Sloan, executive director of CREW, mentions, the political and public apathy is attributed to the high esteem the military now occupies in the American psyche: “People have been very hesitant to criticize high-level military officers. They have an aura around them, unless they are involved in personal wrongdoing [such as retired Army general David Petraeus]. . . . There are very few people who command that high level of respect.”⁵² However, this level of respect could change if the appearance of the conflict of interests becomes more well-known.

Why It Matters

Some may argue that senior military professionals who achieved the highest ranks possible in their professions should be able to cash in their expertise for the tangible compensation that eluded them on active duty. These opportunities may allow retired senior military professionals to earn substantially more than the pay grades of three- and four-star generals, which currently ranges from \$164,221 to \$179,700 a year.⁵³

This is where the question of whether or not the most accomplished members of the profession, entrusted with the most responsibility related to practicing their profession, remain full members of the profession once they start cashing in their stars. The question then becomes, when do they stop serving? The choice marks a transition from service to the nation to service to self-interest. However, is it more than that? Does such a choice mark the difference between serving their client, the

American people, and taking advantage of their relationship to influence the expenditure of their client's tax dollars in ways that favor corporate gain over national security? Furthermore, what is the unique nature of military retirement? What does it mean to retire? Should one's full stature in the profession be diminished with the resultant loss of some professional benefits? What is the opportunity cost to society of senior leaders heading to K Street and the military-industrial complex rather than continuing to serve the nation in other ways? What is the impact on the active forces' concept of "a life-long calling" and their expectations for what really constitutes a "successful career"? Each of these issues will be discussed in turn.

The Officer Retiree: Professional for Life?

What renders retired officers distinctive from other classes of retired professionals? To start, one must begin with the premise of military officers as "professionals." As students of civil-military relations are aware, Samuel Huntington's *The Soldier and the State* made expertise a foundational pillar in his case for advancing the military as a profession. Huntington argued that the armed forces of modern states should be afforded the status of profession because they are expert in a specialized skill crucial to the sustainment of society, the "management of violence."⁵⁴ A singular responsibility to the client, the state, along with the armed forces' "powerful corporate tradition and organization" comprised the remaining two pillars of the profession.⁵⁵

Unlike most professions, however, military leaders retire while they are still in their peak working years. Limits on length of service tied to rank force out those who make full colonel in their early fifties; general officer is the only rank in which more than 30 years of commissioned service is possible. Length of service as a flag officer varies depending on the number of stars earned, but even these most-senior military leaders have some working years available when they retire. While doctors and lawyers can practice into their later years and make choices about their retirement age, the military professional no longer "officially practices" once he or she retires. The stewardship of the profession is relinquished to those remaining on active duty, while the retired military professional transitions to other societal roles and the unofficial practice of expert

knowledge. However, it is important to note that, unlike other retirees who only return to a profession on their own volition, retired military officers can be recalled to service.⁵⁶

While the stewardship of the profession is passed to the successor generation, those retiring from the active forces assume their new status as retired professionals. The Army took on the issue of the status of retired service members in a three-year review of the Army profession after survey research “revealed a lack of common understanding throughout the Army on what it means to be a profession or a professional.”⁵⁷ The review culminated in 2013 with the publication of Army Doctrine Reference Publication (ADRP) 1, *The Army Profession*, which took on a variety of issues that had been debated in the Army, including who should be included as members of the profession—and consequently be subject to professional norms—and who should be left out.⁵⁸ For instance, the Army civilian corps was included, but contractors were excluded.⁵⁹ A contractor who is a retiree would be expected to adhere to the service ethic as a retired professional. The new doctrine specifically addressed the role of retirees, placing them squarely in the profession for life:

Individuals may exit the Army before a full career, moving into the category of an Army veteran of honorable service or serve a full career and honorably retire. In both categories (veteran and retiree), they remain influential members of the profession and assimilate back into civilian life and live among the citizens the Army serves. Army veterans and retirees extend their involvement and contributions to the Army profession by volunteering in veteran support operations. These organizations educate the public on the significance of the Army Profession and the service it provides to the Nation. Whether retiree or veteran, these men and women are Soldiers for life and should consider themselves as a living part of the profession and apply their service ethic throughout the remainder of their lives.⁶⁰

Figures 1 and 2, taken from ADRP-1, depict retirees’ place in the profession. Both figures include retirees as members of the profession. Figure 1 notes when official service ends and unofficial service begins in retirement. ADRP-1 makes clear that the perks of retirement (continued use of rank, privileged status, and various benefits available only to military members) come with the expectation of continued honorable service and a continuing obligation to the profession.

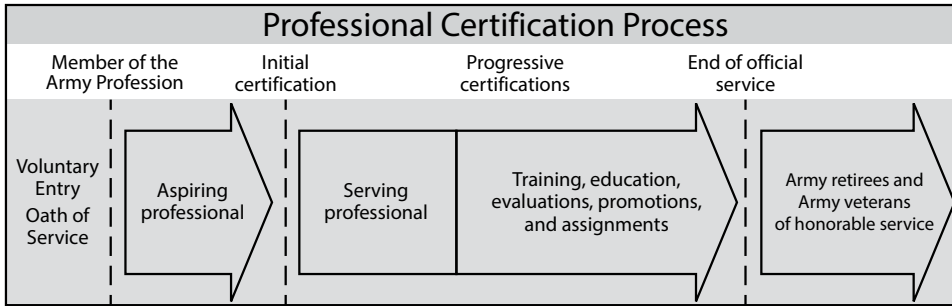


Figure 1. Army professional certification process. (ADRP-1, *The Army Profession*, June 2013, 3-4, http://armypubs.army.mil/doctrine/ADRP_1.html.)

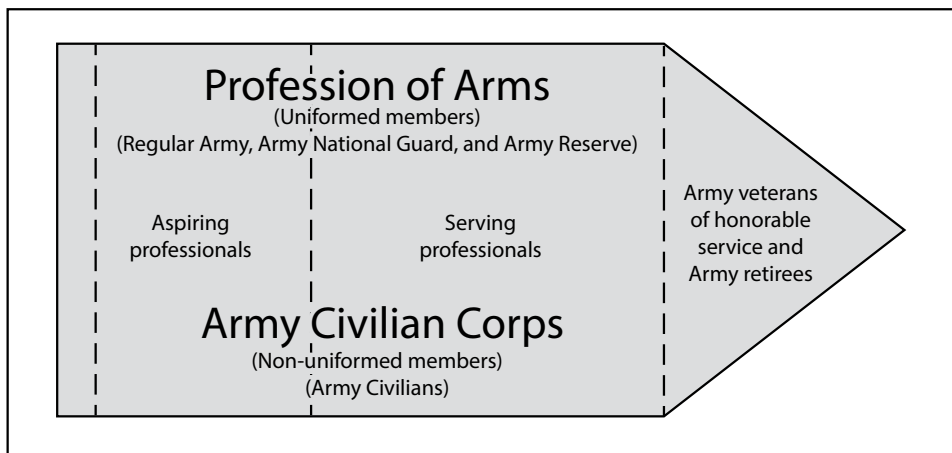


Figure 2. Membership in the Army profession. (ADRP-1, *The Army Profession*, June 2013, 3-6, http://armypubs.army.mil/doctrine/ADRP_1.html.)

Which Interests Served?

When Huntington laid out the case almost 60 years ago in *The Soldier and the State* that the military profession should be among those afforded special societal status, such as medicine and law, responsibility related to the practice of professional expertise was central to his argument. Doctors must render aid and “do no harm.” Lawyers must not compromise the tenets of justice. In each case, there is a singular focus on who the client is—the society which ultimately may revoke or elevate the profession’s status.

If one continues to *practice*, in the sense that professional expertise is being applied to national security issues, and the source of one’s op-

portunity to practice is one’s retired flag officer rank, then, as ADRP-1 clearly lays out, the norms of the profession still apply. Chief among these is continuing to embrace the idea that the American people are the central client and their interests must be prioritized above others. Retired flag officers applying their professional expertise have an obligation to support the national interest above institutional interests—including their former military department—and above corporate interests if these interests should come into conflict. Those who can keep these interests prioritized in ways consistent with the service ethic may continue to serve honorably in the private sector. However, those who place corporate and individual interests first will be seen as straying from their professional obligation. Those who advise the Pentagon without making their defense ties known may compromise the interests of the American people through recommendations that national treasure be diverted to unnecessary defense expenditures. At issue is the effect on national security when the interests of private companies intersect with individual interests and conflict with national interests.

Implications for the Profession

One significant impact on the profession is the erosion of the image of the elite military professional as a selfless servant. Some are beginning to question the effect that the trend is having on the officer corps and the military profession. As Bender questions, “If everyone sees this conveyor belt that goes from the Pentagon to the private defense world, and a lot of it is not very public and it’s not very transparent, the big question that some of them have is, does this erode what traditionally it’s meant to be an officer in the United States military?”⁶¹ Some elite retirees see this as problematic as well. Below is a sampling of perceptions found in the blogosphere:

“He’s cashing in, and telling the world he’s ethical, and getting away with it because he’s a retired 4-star. If he can look himself in the mirror, it only shows he has no compunction about retiring one day and tripling his pay the next, all in the name of national defense. It’s really all in the name of his bank account.”⁶²

“I don’t buy that. That’s baloney,” counters Maj. Gen. Waldo Freeman, an analyst at the non-profit Institute for Defense Analyses who mentors part time. “I think it’s absolutely wrong for somebody to have one foot in both camps. I don’t see how somebody can be on some (corporate) board, and then be a

senior mentor—whereby he is learning information that could advantage his company—and say that’s ethical.”⁶³

“So, is it really any surprise that someone who’s being paid so handsomely by some of the nation’s biggest defense contractors is going on television and pitching more war and military conflict?”⁶⁴

Opportunity Cost to Society at Large

Some retired senior officers may be able to keep the national interest at the forefront and may infuse an ethic that might be lacking in business environments that elevate profits over all else. However, the more retired officers pursue multiple roles, the probability of conflicting interests increases. Retired officers seeking to maintain their status as a retired member of the profession of arms must also keep in mind their continuing obligation to the profession.

The opportunity cost to society when the nation’s retired flag officers overwhelmingly choose the defense sector over other second acts is also worthy of exploration. This is relevant with regard to the present nature of the civil-military experience gap—in particular the lack of uniformed military expertise in the civilian sphere. Flag officers who choose to do the bidding of the defense sector in retirement severely compromise their ability to engage objectively in the national security discourse. With the vast majority of senior flag officers choosing the defense sector over other postretirement pursuits, the national security discourse tilts in the direction of the defense industry. The national security debate would look much different if just as many retired flag officers lent their expertise to the public good unencumbered by ties to the defense industry.

Civil-military relations are also affected. A pool of the most accomplished retired flag officers made available to critique sales pitches emanating from the defense industry with a singular focus on the national interest would be of great value to the president’s administration and Congress. Such retired professionals would also be useful to provide objective insights in policy matters, as long as their advisory roles as stewards of the profession with the statutory role of military advisers are not circumvented.

Adm James Stavridis, who retired as the Supreme Allied Commander, Europe (SACEUR) in 2013 and currently serves as the dean of the Fletcher School of Law and Diplomacy at Tufts University, is among those pushing back against the trend. He states, “Given that

so many senior military evidently retire and take full-time jobs in the defense sector, I am saddened to see their talents not more broadly applied—above all in education at all levels in the US, a critical need for our nation. Additionally, these leaders could have enormous impact in technology, justice, transportation, international relations, governance, and many other segments of our national life.”⁶⁵ As Admiral Stavridis noted, society would benefit if the leadership and vast experience of retired flag officers were applied toward solving the vexing problems of the day—education, poverty, racial relations, health and fitness, civic mindedness, and mitigating the civil-military experience gap. Such pursuits would contribute to sustaining the military profession’s privileged status—a status currently threatened by the behaviors outlined in this article and undermined by other behaviors such as the growing political activism and partisanship described in complementary pieces.⁶⁶

What Is to Be Done?

The main tools for policing the ethics of working for a company in the defense sector while also engaging in other influential roles are “self-policing” and a less than robust disclosure process. Some complain that self-policing is insufficient and recommend rules requiring retired senior officers to disclose their defense industry ties when performing other roles such as media analyst or DOD adviser or mentor or when testifying before Congress. Others familiar with the disclosure process report that ethics questionnaires requesting information related to conflicts of interests between advising DOD and working in the defense sector are used inside DOD. However, the services do not seem to limit access to retired senior officers with feet in multiple camps after collecting that data.⁶⁷

Tightening up the government ethics rules outlined above may also have some effect. Cooling off periods could be lengthened, and the rules prohibiting going back to one’s agency to influence could be extended to cover all agencies. This is particularly reasonable in the case of three- and four-star flag officers, who would seem to have influence across the DOD enterprise. Stricter rules calling for disclosure of defense industry ties while serving as advisers and government consultants are also in order.

Finally, some call for the active duty stewards of the profession, the CJCS and the service chiefs, to weigh in and try to influence the behavior of the high-ranking influencers as Adm Mike Mullen did when he admonished retired flag officers from endorsing presidential candidates when he was CJCS. The USAF chief of staff, Gen Norton Schwartz, took such a step when he spoke at the Air Force Association's annual conference in the middle of the 2008 tanker scandal: "I'm speaking of the unfortunate deterioration of the relationship between the Air Force and industry that of late has manifested a hyperbole of insensitivity and a lack of proper communication," he said. "My personal view is that military professionals, including those who have retired from active service, have an obligation to refrain from taking sides in public debates on key acquisition programs."⁶⁸ The *Air Force Times* reported that following the speech there was "awkward applause from the crowd, packed with current and retired Air Force generals."⁶⁹ The service chiefs and the CJCS could play a greater role instilling the norm that the service ethic applies in retirement and conveying the message that failing to do so damages the civil-military relationship.

Another recommendation comes from Maj Matt Cavanaugh, an Army strategist and assistant professor of military strategy at the US Military Academy. Major Cavanaugh founded *WarCouncil.org* to facilitate the debate on issues of modern warfare and strategy.⁷⁰ In one forum, Cavanaugh addressed the issue at the heart of this article:

I'm uncomfortable with the notion that senior members of the Profession of Arms, who have been granted access and privilege in order to perform service to the American public while on active duty, are then able to monetize this access in retirement to significant personal benefit. I don't think there's anything wrong with making money, but when the money becomes a windfall and particularly when they continue to publicly represent the military profession—that's where I have a problem.⁷¹

He suggested a simple test for all retired officers: "If post-retirement private sector work involves national security (i.e., defense contractor, public commentator), broadly construed . . . and when income from that work exceeds double the amount of military retirement pay, then . . . the individual[s] should relinquish their commission, as private financial interests have clearly impaired their (mostly dormant) obligation to act on behalf of the nation's interest."⁷²

When the above criteria are met, Major Cavanaugh suggests the title “General (former)” should replace the title “General (retired).” Cavanaugh argues this would enable the retired officers to maintain their titles, while indicating that the official commission is no longer held. Consequently, the same expectations to adhere to the norms of the profession would be eliminated. Cavanaugh noted that the downgrading of the official title would have no impact on military retirement pay or financial benefits, but the commission as a symbol of the military profession would be withdrawn.⁷³ However, some experts warn that formally resigning one’s commission would lead to the forfeiture of the pension and other benefits associated with holding a commission. Finally, the DOD 5500.07-R, *The Joint Ethics Regulation (JER)*, states that retired military members may use their titles in connection with commercial enterprises if they clearly indicate their retired status, but such usage is prohibited if use of the title gives the appearance of endorsement or DOD approval.⁷⁴

Conclusion

One specific phenomenon that is eroding the profession’s status is the growing trend to cash in stars for personal and corporate gain. President Eisenhower warned of the threat of overinvestment in defense that could occur if there ceased to be a distinction between the DOD and the corporations that resource it. The military-industrial complex Eisenhower feared has arrived. It is the responsibility of all in the profession of arms to reflect on this growing phenomenon and recommend remedies to ensure the much-heralded tradition of selfless service to the American people endures. On this point, Major Cavanaugh has the correct idea: “We don’t allow active duty officers to profit from their access and privileges—to simultaneously represent private and public interests—why shouldn’t the self-policing Profession of Arms set some reasonable boundaries for retired members?”⁷⁵

Many retired senior officers do respect the service ethic by serving in philanthropic and defense-related positions without a conflict of interest. Some continue to straddle the ethical line, and still others cross it with abandon. One can only hope that by focusing attention on the challenges posed by the revolving door, the ethics of the profession can

be maintained and strengthened in the eyes of the profession's client, the American people. **SSOQ**

Notes

1. Dwight D. Eisenhower, "Farewell Address" (speech, Washington, DC, 17 January 1961), http://www.eisenhower.archives.gov/research/online_documents/farewell_address.html.

2. Ibid.

3. Ibid.

4. Clay Blair, "Collaborator's Afterword," in *A General's Life* (New York: Simon and Schuster, 1983), 665; and Charles E. Kirkpatrick, *General Omar Nelson Bradley: The Centennial* (Washington, DC: Center for Military History, 1992), <http://www.history.army.mil/brochures/bradley/bradley.htm>.

5. Forrest C. Pogue, *George C. Marshall: Statesman 1945–1959* (New York: Viking Press, 1987), 494–95 and 498.

6. It is important to note that as five-star generals, Bradley, Marshall, and Eisenhower did not officially retire. They remained in "active" status and drew small salaries along with such benefits as an office and a military aide.

7. Maj Gen Paul D. Eaton, US Army, retired, interview by the author, Washington, DC, May 2015.

8. See Risa A. Brooks and Marybeth Peterson Ulrich, "The Political Activism of Retired Officers in the United States: What Is the Impact?" (paper, presented at the International Security and Arms Control (ISAC)–International Security Studies Section (ISSS) annual conference, Austin, TX, November 2014).

9. David Francis, "DOD Retirees: From 4-Star General to 7-Figure Income," *Fiscal Times*, 5 June 2013, <http://www.thefiscaltimes.com/articles/2013/06/05/dod-retirees-from-4-star-general-to-7-figure-income>.

10. Amy Goodman, "From the Pentagon to the Private Sector: *Boston Globe* Analysis Finds Large Numbers of Retiring Generals Entering Defense Industry," *Democracy Now!* (web site), 27 December 2015, http://www.democracynow.org/2010/12/27/from_the_pentagon_to_the_private.

11. Ibid.

12. Bryan Bender, "From the Pentagon to the Private Sector," *Boston Globe*, 26 December 2010, http://www.boston.com/news/nation/washington/articles/2010/12/26/defense_firms_lure_retired_generals/.

13. Standards of Conduct Office, Department of Defense, "Senior Employee Post-Government Employment Restrictions," January 2015, http://www.dod.mil/dodgc/defense_ethics/resource_library/pgser_senior.pdf.

14. Ibid.

15. Ibid.

16. Bryan Bender, "From the Pentagon to the Private Sector."

17. Brooks and Ulrich, "The Political Activism of Retired Officers."

18. David Barstow, "One Man's Military-Industrial-Media Complex," *New York Times*, 29 November 2008, <http://www.nytimes.com/2008/11/30/washington/30general.html>. The

term *rainmaker* refers to a member of the firm who brings a great deal of profitable business to the firm.

19. Major contributors to ISW include Dyncorp International, CACI International, and General Dynamics. For more information, see “Institute for the Study of War,” *Right Web* (web site), 17 September 2013, http://www.rightweb.irc-online.org/profile/institute_for_the_study_of_war#sthash.yGLLXhD1.dpuf.

20. Lee Fang, “Who’s Paying the Pro-War Pundits?,” *The Nation* (web site), 16 September 2014, <http://www.thenation.com/article/181601/whos-paying-pro-war-pundits>.

21. Bryan Bender, “From the Pentagon to the Private Sector.”

22. Ibid.

23. Tom Vanden Brook, Ken Dilanian, and Ray Locker, “Retired Military Officers Cash In as Well-Paid Consultants,” *USA Today*, 18 November 2009, http://usatoday30.usatoday.com/news/military/2009-11-17-military-mentors_N.htm.

24. “Anthony C. Zinni,” Middle East Institute (web site), no date, <http://www.mei.edu/profile/anthony-c-zinni>.

25. “Chairman’s *Inner Circle* Advisory Board,” M.I.C. Industries (web site), 2013, http://www.micindustries.com/inner_circle.htm. This inner circle advisory board consists of William S. Cohen, 20th secretary of defense; James L. Jones, national security advisor to Pres. Barack Obama, SACEUR, 32nd commandant of Marine Corps; Peter Pace, 16th CJCS; and Richard L. Armitage, 13th deputy secretary of state. All their titles are featured prominently on the company’s web site.

26. Citizens for Responsibility and Ethics in Washington (CREW), *Strategic Maneuvers: The Revolving Door from the Pentagon to the Private Sector* (Washington, DC: CREW, 2012), http://www.citizensforethics.org/page/-/PDFs/Reports/CREW_Strategic_Maneuvers_Pentagon_Generals_Revolving_Door_11_15_12.pdf?nocdn=1.

27. CREW, “About Us,” *CREW* (web site), 2015, <http://www.citizensforethics.org/pages/about>.

28. CREW, *Strategic Maneuvers*, 3; and “Executive Profile: Buford Blount,” *Bloomberg Business*, 2015, <http://www.bloomberg.com/research/stocks/private/person.asp?personId=62219748&privcapId=62213092>.

29. Burdeshaw Associates, “The Power of Our Associate Base,” no date, http://www.burdeshaw.com/associates/Our_Associates.pdf.

30. “Executive Profile: David A. Deptula,” *Bloomberg Business*, 2015, <http://www.bloomberg.com/research/stocks/private/person.asp?personId=126942523&privcapId=62213092>.

31. Stuart Gittleman, “Corporate Boards Looking for a Few Good Generals,” *Financial Regulatory Forum* (blog), Reuters, 12 January 2012; <http://blogs.reuters.com/financial-regulatory-forum/2012/01/12/corporate-boards-looking-for-a-few-good-generals-directors-group-says-in-seeking-military-members/>.

32. David Francis, “DOD Retirees: From 4-Star General to 7-Figure Income.”

33. Ibid.

34. Center for Responsive Politics, “Influence and Lobbying,” *Opensecrets.org* (web site), no date, <http://www.opensecrets.org/influence/>.

35. Bryan Bender, “From the Pentagon to the Private Sector.”

36. Michael M. O’Brien, “The ‘Military-Industrial Complex’: Revolving Door for Retired Generals,” *Warfare Inc.* (web site), 5 January 2011, <http://www.warfare-inc.com/2011/01/05/the-military-industrial-complex-revolving-door-of-retired-generals/>.

37. David Barstow, “One Man’s Military-Industrial-Media Complex.”

38. Citizens for Responsibility and Ethics in Washington (CREW), *Strategic Maneuvers*, 2.

39. Ibid., 1.
40. Vanden Brook, Dilanian, and Locker, “Retired Military Officers Cash In as Well-Paid Consultants.”
41. Ibid.
42. Tom Vanden Brook and Ken Dilanian, “Gates Orders Review of Military Mentor Program,” *USA Today*, 17 December 2009, http://usatoday30.usatoday.com/news/military/2009-12-16-gates-mentor-review_N.htm.
43. Ibid.
44. Jack Moore, “IG: Steep Decline in Pentagon Senior Mentors after New Rules,” *Federal News Radio*, 9 November 2011, <http://www.federalnewsradio.com/412/2625711/IG-Steep-decline-in-Pentagon-senior-mentors-after-new-rules>.
45. Dana Liebelson, “98 Percent of Former Military Officers Drop Out of Pentagon Program after Financial Disclosure,” *Project on Government Oversight Blog*, 9 November 2011, <http://pogoblog.typepad.com/pogo/2011/11/98-percent-of-former-military-officers-drop-out-of-pentagon-program-after-financial-disclosure-.html>.
46. Ibid.
47. Bryan Bender, interviewed in Amy Goodman, “From the Pentagon to the Private Sector.”
48. Ibid. The *bobblehead effect* is derived from the bobblehead toys, which feature oversized heads that are affixed with a spring and bob up and down. A retired general or admiral when speaking with authority at a table populated by military officers and civilians—who may have worked for that general or at least knew of the officer when he or she was in uniform—will sit around the table and nod their heads as the general speaks, emulating to some degree the aforementioned toy.
49. Ibid.
50. Bryan Bender, “From the Pentagon to the Private Sector.”
51. Quoted in Bryan Bender, “From the Pentagon to the Private Sector.”
52. David Francis, “DOD Retirees: From 4-Star General to 7-Figure Income.”
53. Ibid.
54. Samuel P. Huntington, *The Soldier and the State* (New York: Belknap Press, 1957).
55. Ibid.
56. See 10 USC 371, “Retirement for Length of Service”; and George R. Smawley, *Stewardship and the Retired Senior Leader: Toward a New Professional Ethic*, US Army War College Strategy Research Paper (Carlisle, PA: US Army War College, June 2013). Even though not bound formally by regulations, Colonel Smawley, US Army, has made a provocative argument that retired officers are still bound to the force in unique and consequential ways—indeed, in ways that set a retired officer apart from his fellow retirees in other professions. What these obligations suggest is that once an officer, always an officer—at least in some regards. Therefore, the meaning of retirement may differ, and retired officers, thus, may have a special obligation to forego political activity.
57. ADRP-1, *The Army Profession*, (The Pentagon: HQ US Army), June 2013, http://armypubs.army.mil/doctrine/ADRP_1.html, 1-1.
58. Ibid.
59. Ibid., 3-5–3-6.
60. Ibid., 3-5.
61. Bender, interviewed Goodman, “From the Pentagon to the Private Sector.”
62. O’Brien, “The ‘Military-Industrial Complex.’”
63. Vanden Brook, Dilanian and Locker, “Retired Military Officers Cash In.”

“Cashing In” Stars

64. Thom Hartman, “How the Defense Industry Bankrolls Pro-War Pundits,” *Opednews.com*, 16 September 2014, http://www.opednews.com/articles/How-the-Defense-Industry-B-by-Thom-Hartmann-Accountability_Defense_Disclose_Generals-140916-961.html.
65. Adm James Stavridis, US Navy, retired, interview by the author, New York, 12 June 2015.
66. Brooks and Ulrich, “The Political Activism of Retired Officers.”
67. Bender, interviewed in Goodman, “From the Pentagon to the Private Sector.”
68. Michael Hoffman, “Schwartz Slams Retired Generals in Contracting,” *Air Force Times*, 16 September 2008, <http://archive.airforcetimes.com/article/20080916/NEWS/809160302/>.
69. Ibid.
70. See the *WarCouncil’s* blog at <http://www.warcouncil.org/blog/>. The *WarCouncil* is in the process of converting to the Modern Warfare Institute, with the full support of the US military.
71. Matthew Cavanaugh, “Should Retired Generals Be Allowed to ‘Cash In’ and Keep Their Commissions?” *WarCouncil.org*, 21 August 2014, <http://www.warcouncil.org/blog/2014/8/16/should-retired-generals-be-allowed-to-cash-in>.
72. Ibid.
73. Ibid.
74. DOD 5500.07-R, *The Joint Ethics Regulation (JER)*, August 1993.
75. Cavanaugh, “Should Retired Generals Be Allowed?”

Disclaimer

The views and opinions expressed or implied in SSQ are those of the authors and are not officially sanctioned by any agency or department of the US government. We encourage you to send comments to: strategicstudiesquarterly@us.af.mil.