S EVEN YEARS into America’s War on Terrorism, private contractors now outnumber American troops serving in harm’s way. Pentagon officials recently informed Congress that as of September 2007, there were 196,000 contractors, along with approximately 160,000 American service members, supporting U.S. military operations in southwest Asia. In fiscal year 2006, the Pentagon spent more than $300 billion on contracted goods and services, making it “the largest purchasing agent in the world.”

There are many good reasons to privatize military functions. According to a 2007 Congressional Research Service report, most contracts supporting American operations in Iraq involve local companies and employees. Their employment creates jobs and supports economic development, a key tenet in counterinsurgency doctrine. Furthermore, many of the contracted services require unskilled labor. Without contractors, commanders would have to divert Soldiers from other, more important tasks. At the same time, modern military operations now depend heavily on high-tech weapons systems that may be too sophisticated for junior soldiers to maintain and repair. Contractors provide expert technical support for these systems. Finally, the private sector has proven more flexible and responsive than the government’s civilian workforce in providing skilled workers willing to serve in dangerous locations. The U.S. Army is particularly dependent on contractors for a vast array of services from civil engineering, foreign military training, and computer network support to laundry, showers, and mail. The vast majority of this support has been extremely effective.

Nevertheless, the high cost of this support and its associated loss of transparency and government control have drawn heavy criticism from Congress.
and the media. Critiquing military contracting has become a cottage industry. Books such as Licensed to Kill: Hired Guns in the War on Terror, by Robert Young Pelton, do a brisk business on Amazon.com, where it became the fourth most popular title on the topic of Iraq. Like most critics, however, Pelton focuses on the highly visible, widely publicized private security contractors such as Blackwater.

This article addresses a separate but equally important challenge: military professionalism. The Army’s heavy reliance on contracting erodes its professional jurisdiction over land warfare, drains its professional expertise, and undermines its institutional legitimacy within our democracy.

How We Got Here

American military operations have always relied on at least some support from the private sector. Washington’s Continental Army employed contract teamsters to move supplies, and during World War II, many American plants converted from producing consumer goods to producing military equipment. Until the end of the Cold War, however, the Pentagon relied primarily on a large, expensive workforce of uniformed and government civilian personnel to perform most battlefield functions.

With the dissolution of the Soviet Union and the ensuing reductions in American military budgets, the Pentagon looked more and more to “privatization” as a way to sustain its forces. During the Cold War America stationed large forces overseas to deter communist aggression. America’s post-Cold War “peace dividend” allowed dramatic cuts in training, equipment, and manpower in every branch of the armed forces. Between 1988 and 1998, defense spending declined from six percent to three percent of America’s gross domestic product. During this same period, the Army reduced its active force from 18 to 10 divisions.

Instead of a peaceful new world order, however, the end of the Cold War caused many fragile nations to disintegrate into ethnic, tribal, religious, and criminal conflict. A series of political and humanitarian crises in Somalia, Haiti, Rwanda, Bosnia, Kosovo, East Timor, and elsewhere challenged American foreign policy and placed a heavy demand on America’s military services. The Army found itself particularly hard-pressed; deployments during this period increased by 300 percent, even as troop strength shrank by 34 percent. Meanwhile, in an effort to deter the long-term commitment of U.S. troops to peacekeeping operations, Congress imposed troop limits on deployments to Bosnia and elsewhere.

 Asked to do more with less, the Army relied increasingly on contractors as an expedient solution. In 1995, the Army paid Brown and Root (later Kellogg, Brown, and Root, or KBR) to build and manage large operating bases in Hungary, Bosnia, and elsewhere in the Balkans. The commanding headquarters was so pleased with the results that the Army extended Brown and Root’s contract. By 2002, the Army estimated that it had twice as many contractors as Soldiers in Bosnia. Brown and Root’s support in Bosnia foreshadowed the Army’s later reliance on contract support in Iraq.

As the Army privatized various aspects of logistical support in Bosnia, two other trends popularized the increased reliance on contractors. The first of these trends was the growth of outsourcing in private industry, as U.S. corporations struggled to compete with more efficient overseas competition. The second trend stemmed from the Clinton Administration’s effort to “re-invent government,” which cut federal manpower to its lowest level in five decades and eased the process of privatizing government functions.

Federal outsourcing gained even more momentum during the Bush administration due to the War on Terrorism, Hurricane Katrina, and a mistrust of federal civil servants by conservatives in government. In his 2002 “Presidential Management Agenda,” President George W. Bush outlined a new “Competitive Sourcing Initiative” that was designed to improve the quality and efficiency of government services by opening federal agencies to private competition. Federal spending on contracts nearly doubled between 2000 and 2006 from $219 billion to more than $415 billion. The confluence of these trends has produced an Army

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that now relies heavily on contractors to accomplish nearly every function—from recruiting and training Soldiers to planning, supporting, and, depending on one’s definition, conducting combat operations.

Consequences for Military Professionalism

The idea of military professionalism stems from a broader social concept of professionalism as “an occupational group with some special skill.” This concept has evolved dramatically in the past century, from the “functional” view of British scholar T.H. Marshall that professions enjoy greater social status (legitimacy) because they provide necessary social services, to the later, “monopolistic” view that professions derive their status specifically because they have obtained (and limited the access of others to) education, greater income, and power. More recently, sociologist Andrew Abbott has identified the importance of competition within professions for control of abstract knowledge within particular jurisdictions.

Noting the continuing academic dispute regarding the nature of professionalism, sociologist James Burk offers a minimalist definition: “A profession is a relatively ‘high status’ occupation whose members apply abstract knowledge to solve problems in a particular field of endeavor.” Burk identifies three characteristics—jurisdiction, expertise, and legitimacy—that distinguish professions from other occupational groups, such as bureaucracies or trades. Burk’s characteristics provide a useful framework for addressing the relationship between contracting and military professionalism.

The Army’s Jurisdiction. Social and political forces have greatly influenced the military’s role, or jurisdiction, within American society. In their history of the Army’s professional development, Leonard Wong and Douglas Johnson observe that the armed services’ jurisdiction, unlike that of other professions, is often determined by civilian authorities outside the profession itself. During the Cold War, that jurisdiction was primarily limited to defeating a Soviet attack in a high-intensity conflict. In the post-Cold War era, however, social and geopolitical developments created new requirements for the Army, most notably peacekeeping, peace enforcement, border patrolling, and humanitarian assistance. As Johnson and Wong illustrate, these roles actually corresponded closely with many of the Army’s traditional missions before World War II.

Nevertheless, the changes forced the Army to expand its jurisdiction. At the same time, the Goldwater-Nichols Act and other legislative requirements pressured the military services to operate (and cooperate) within a joint and interagency environment, while Congress and the Clinton administration attacked Pentagon policies excluding women from combat roles and prohibiting homosexuals from military service. These social and political influences sparked discussion and self-examination within the Army regarding its role in protecting national security.

The advent of the War on Terrorism, however, superseded this debate. In 2001, Secretary of Defense Donald Rumsfeld initially contemplated reducing the number of Army divisions from 10 to 8. Early success in Afghanistan and Iraq, however, suggested the continuing importance of American military land power, and the subsequent insurgencies in both theaters forced the Pentagon to keep American “boots on the ground” to secure the peace. The insurgencies also forced more changes in the Army’s jurisdiction.

Today, American Soldiers no longer focus solely on defeating a modern, mechanized opponent on the central European plains. Instead, the Army is working to develop a “broader portfolio of capabilities to address the full spectrum of challenges we face.” These challenges, outlined in the Pentagon’s 2006 Quadrennial Defense Review, include homeland defense, irregular operations, sustainment of the so-called “long war” (formerly known as the Global War on Terrorism), and the continuing ability to win conventional campaigns.

These new requirements are more difficult, in part because they are new, and in part, because mid-career officers and sergeants who bear the brunt of planning and leading these operations must adapt their conventional war fighting skills to
a host of new tasks. Many of these tasks rely more on sociological skills, such as cultural awareness and political science, than on the application of lethal firepower. In recognition of this emerging challenge, Secretary of Defense Robert Gates has repeatedly argued that the United States should develop more “soft power.”

As the Army updates its core competencies, it faces new jurisdictional competition from other professional organizations operating in the same regions. Some of these, such as joint and coalition military forces, have traditionally shared the Army’s battle space, albeit with mixed results. Other federal agencies, such as the State Department and the Central Intelligence Agency, have contributed in small but ever-expanding ways to military operations over the past 50 years. More recently, Army deployments in support of humanitarian missions have put Soldiers into contact with nongovernmental humanitarian agencies, such as Doctors Without Borders and the International Red Cross. These agencies often operate in the same areas, providing food, water, and health care services similar to those provided by U.S. military personnel. In fact, the ability to cooperate and coordinate with these agencies has become a military competency in itself. The Army now emphasizes joint and interagency operations throughout its professional military education system.

While the Army continues to compete with external agencies for jurisdiction, it has already outsourced many of its own traditional roles and functions. Private corporations, for example, now write doctrine, including the Army’s contracting doctrine, and provide much of the Army’s training and education. Political scientist Deborah Avant argues convincingly that this development has eroded the Army’s institutional control, both over its professional identity and over its internal control system. In addition, private American firms such as MPRI have replaced uniformed military trainers in teaching foreign military forces to conduct military operations. This practice transfers American military contractors with expertise offshore, often with the acquiescence of the American government, but outside the control of the military profession. As Avant notes, this practice represents another infringement on the Army’s jurisdiction.

Perhaps the most telling example of the Army’s dwindling jurisdiction is its continuing reliance on private expertise for development of its Future Combat System. This multi-billion dollar “system of systems” is the Army’s most significant modernization program in decades. The Army has hired Boeing and the Science Applications International Corporation as lead systems integrators to oversee the program and to select other contractors who will develop its various subsystems. This approach generated heavy criticism in Congress and the media, particularly after the U.S. Coast Guard encountered significant problems while using lead systems integrators to modernize its surface fleet. According to a 2007 Congressional Research Service report, however, the Army had little choice, because it lacks the necessary scientists, engineers, and technical managers to manage a program of this size and complexity effectively. The lead systems integrators approach shifts this burden to a contractor and adds another layer between Army leaders and the contractors who design and build Army weapons systems.

The Army’s expertise. As its own jurisdiction erodes, the Army continues to outsource many of its traditional battlefield tasks. As previously noted, contractors outnumber American Soldiers in Iraq and Afghanistan, and this reliance on contractors implies a direct challenge to the Army’s professional role. In theory, the Army carefully distinguishes between essential military tasks that are “governmental in nature” and those tasks that may be privatized, but Peter Singer, an expert on the private military industry, argues that this distinction has all but faded from sight. As contractors replace Soldiers, the Army either loses or fails to develop the professional skills that define its core competency, thus diminishing its own expertise.

Contractors in Iraq have replaced Soldiers in a broad variety of military functions. They include planners, translators, intelligence analysts, interrogators, construction workers, air traffic controllers,
police and military trainers, and personal security teams. Thanks to the complexity of modern weapons, many Army units also deploy with civilian technicians, known as systems contractors, who maintain and repair armored vehicles, helicopters, missile systems, radios, computers, and various other tools of modern war. Meanwhile, private contractor KBR, which had earlier distinguished itself by supporting operations in Bosnia, now provides the Army with most of its logistical and life support in Iraq, from fuel and ammunition management to field sanitation. As KBR Vice President Paul Cerjan told a PBS reporter, “We support the military [in Iraq and Kuwait] with an equivalent of over 30 battalions’ worth of support. That’s a lot.”

As the Army transitions to a new multi-vendor support contract in the coming months, it is hard to imagine that more vendors will reduce the Army’s reliance on them. While it is now difficult to imagine conducting military operations without them, American reliance on contractors is a self-imposed risk. Due partly to force-structure reductions and partly to the increasing complexity of modern military equipment, the Pentagon implemented a formal strategy in 1999 to ensure the readiness of newly acquired weapons systems. This strategy, known as “performance-based logistics,” requires manufacturers to provide not only the new systems, but also the necessary test sets, spare parts, and contract repairmen to ensure the equipment’s availability.

As part of its effort to reform defense acquisition policies, the Rumsfeld Pentagon embraced this new strategy and issued instructions directing program managers to “aggressively implement performance-based logistics for current and planned weapon system platforms.”

The new acquisition strategy reduces the need for manpower, and therefore expertise, but at what cost? This new guidance requires program managers to conduct business-case analyses justifying the performance-based logistics approach prior to awarding these contracts, and to update these analyses periodically in order to validate the initial assumptions. A 2005 investigation by the Government Accounting Office determined that 4 out of 15 Department of Defense (DOD) program managers studied had failed to conduct the initial analysis, and that 14 had failed to conduct the required follow-up analysis, including all 4 Army programs managers.

While contractor performance met or exceeded government requirements, the lack of reliable-cost data raises questions regarding the cost effectiveness and transparency of privatized maintenance support. Reliance on contract maintenance is especially problematic in combat. The Army’s recently fielded Stryker system illustrates the advantages and disadvantages of this approach. As originally designed, each Stryker brigade relied heavily, though not totally, on a team of 45 contractors to maintain a fleet of approximately 320 vehicles. Although the wear and tear on Strykers in Iraq exceeded anticipated peacetime rates by 800 percent, contractors consistently exceeded goals for Stryker readiness.

In 2005, however, the Army expanded the mission requirements for Stryker units, which had originally been designed to deploy rapidly to conduct stability operations. Because the new mission profile included high-intensity conflict, the Army decided to gradually convert each brigade’s 45 contractor slots to 71 Soldier positions. A subsequent Government Accounting Office report raised several concerns, including the availability of competent military mechanics within the Army.

The Army’s chemical reconnaissance vehicle, the Fox, further illustrates how relying on contractors can stunt the Army’s expertise. The Fox has relied
on contract maintenance since being fielded in 1990, and the Army recently awarded a $333 million contract to continue privatized maintenance for the next five years. Not only are Soldiers not repairing this system, they are also not learning how to fix it. As one division commander noted, “I can’t change a tire on the Fox until a contractor shows up.”

The Army is not alone in its heavy reliance on contract maintenance. The Air Force and the Navy, which rely even more on technically complex systems, also depend on contractor support. A senior Air Force officer, Steven Zamparelli, has argued, “There is, or will be, no organic military capability in many functions critical to weapons systems performance.” Thus, the military profession is abdicating the ability to perform a basic battlefield function: repair of its own equipment.

Meanwhile, the Army finds itself competing with its own contractors for a limited pool of technical experts. The more military functions the government outsources, the greater the demand for those military skills in the private sector. Many American corporations, including those specializing in military contracting, aggressively recruit both active and retired military personnel already screened and trained at government expense. KBR’s corporate web site, for example, recently listed more than 700 job openings in Iraq. While a majority of these job openings required no specific military skills, most did require a security clearance, and some of the job openings specifically required prior military or government service. All of the KBR job openings in Iraq warned of the “dangers inherent to working conditions in a dangerous environment.” MPRI, meanwhile, employs more than 3,000 persons and maintains a database of 10,000 potential employees. Nearly all of them have significant military experience.

Contracting opportunities for members of Special Forces are particularly lucrative, with private security firms such as DynCorp and Blackwater offering to hire them for three times their active duty pay. Employees with a special operations background provide security firms with a double benefit. They are older, more experienced, and receive far more training than other Soldiers receive, and their “elite” status enhances the credibility of the private firms that hire them.

Ironically, the remainder of the all-volunteer force struggles to retain its most valuable talent pool, combat-experienced junior officers and sergeants who will become the Army’s future senior leaders. Repeat tours in Iraq and Afghanistan have persuaded many of these professionals to leave the service. As one young West Point graduate observed, “They say at the end of six years, half of their careers [have been spent] in Iraq. They’re behind in creating a life at home.”

In a 2006 report, the Congressional Research Service projected officer shortages of more than 3,000 per year unless the Army commissioned more lieutenants or significantly increased retention of its current officer corps. In response to this problem, the Army now offers retention bonuses, targeting those with key skills. Incentives include branch and assignment choices, military and civilian training, and cash bonuses ranging from $20,000 to $150,000. While military pay and benefits have traditionally suffered in comparison to civilian professional careers, relying on financial incentives threatens to undermine the dedication and selfless service the Army seeks to retain. Whether these incentives will supplant the military profession’s call to duty or outweigh the cost of dangerous, indefinite service in Iraq and Afghanistan remains to be seen. In the meantime, the Army’s multi-billion dollar reliance on the private sector essentially underwrites its own competition for human resources.

The Army’s legitimacy. Regardless of its shifting jurisdiction and eroding expertise, the Army’s legitimacy as a professional institution ultimately depends on the trust of the American people. That trust, in turn, relies on the Army’s competence and its loyalty to the Constitution, in the form of subordination to civilian leadership. Fortunately for the Army, its loyalty has rarely been doubted. In fact, the controversies surrounding Leonard Wood, Douglas MacArthur, and the retired officers critical of the Iraq War stand out because such...
controversies are so rare, and because they contrast with the traditionally apolitical loyalty of the officer corps, as demonstrated by widely admired leaders such as Eisenhower, Marshall, and Powell. With few exceptions, public and Congressional faith in the Army’s competence has also remained high. From disaster relief to high-intensity conflict, America’s military competence contributed significantly to its emergence as the world’s only superpower during the 20th century. Recent opinion polls indicate that despite fluctuating support for the Iraq War, American public confidence in the military remains high.58

The Army’s rush to privatization, however, threatens to undermine that confidence. A scathing report, commissioned by the Secretary of the Army in 2007, determined that the Army’s expanding reliance on contractors has overwhelmed its ability to supervise those contracts. The report described a series of “key failures” that have “significantly contributed to the waste, fraud, and abuse in-theater by Army personnel.”59 The so-called Gansler Report documented a 600-percent increase in workload for the Army’s shrinking and undertrained contract management force, an embarrassingly high number of Army personnel under criminal investigation for fraud, and an Army-wide disregard for the importance of contract management.60

The report briefly attracted media attention, but to Pentagon watchers and defense reformers, many of its findings were old news. Since the fall of Baghdad, Americans have received a steady stream of reports on waste, fraud, and abuse in military contracts. KBR attracted most of the negative coverage during the first two years of the war in Iraq because of the size and cost of its support, and because Vice President Cheney once served as chief executive officer of its former parent company, Halliburton. In 2006, the media’s focus shifted to various problems in the Pentagon’s multibillion-dollar reconstruction contracts, and one company’s failure to rebuild health clinics seemed particularly emblematic of American difficulties in Iraq.61

Since September 2007, media attention has shifted to the alleged misconduct of various private military firms, particularly Blackwater. In fact, Blackwater worked for the State Department in Iraq, but this distinction may be lost amid the flurry of other contracting problems that have dominated American headlines. The shooting incident in Baghdad that killed 17 Iraqis, and the ongoing difficulties in prosecuting the alleged perpetrators, merely reinforces
perceptions at home and abroad that American military contractors are out of control. This pattern of events, from allegations of fraud and murder to the Gansler Report’s documentation of inadequate oversight, casts a dark shadow on the Army’s reputation as an ethical organization and undermines its legitimacy as a professional organization.

**Damage Control**

Fortunately, senior Army leaders have taken the problem seriously. Five weeks after the release of the Gansler Report, Army officials informed Congress of plans to add 1,400 new contract administrators. Meanwhile, the Secretary of the Army has established an internal panel to examine the Army’s current contracting procedures, and the Army’s Training and Doctrine Command increased efforts to educate officers about regulations, restrictions, and procedures governing military contracting. Finally, the 2007 defense bill authorizes an additional 65,000 Soldiers to expand the Army’s current force structure. This expansion, endorsed by the Obama administration, will eventually reduce the Army’s operational tempo and dependence on contractors to fill manpower shortages.

Unfortunately, continued reliance on contracting remains an inherent element of future Army operations. After identifying multiple problems with the status quo, the Gansler Commission offered no thoughts on reducing the quantity of Army contracts or reversing policies, such as performance-based logistics, that privatize military functions and undermine military professionalism. Instead, the commission recommended more administrators, arguing that contract administration should become one of the Army’s “core competencies.”

The Army now finds itself dependent on contractors, but several alternatives can restore the Army’s jurisdiction, expertise, and credibility without undermining its current commitments. First, the Army needs to clarify the line between governmental and nongovernmental functions. Expedience has obscured this line over the past six years. A recent Government Accounting Office investigation of Army contract management determined that contractors now perform many of the same functions as their government counterparts, particularly at major headquarters responsible for planning and oversight of contracts. The Army has an obligation to clearly define functions that require military or government civilian personnel, thus building a better firewall between government and contract employees.

Second, the Army should consolidate its contract managers under a single, organic headquarters. At present, Army Sustainment Command supervises the Army’s largest contract in Iraq, the Logistics Civil Augmentation Program, but it is managed by contract administrators from a different instrumentality, the Defense Contract Management Agency. The Army Corps of Engineers, the Joint Contracting Command–Iraq, the Defense Logistics agency, the Army Audit Agency, the Army Medical Command, the Justice Department, the State Department, the Agency for International Development, and an
alphabet soup of Army, Defense Department, and other governmental agencies supervise other contracts in Iraq. The Secretary of the Army recently created a new “Army Contracting Command,” commanded by a two-star general, to oversee Army installation and contingency contracting activities.

This decision marks an important step toward consolidation but does not address management of joint and interagency contracts.

Third, the Army should reconsider the value of its government civilian employees, many of whom provide both flexibility and a wealth of experience, without outsourcing—a significant cost of additional overhead and contract administration. Too often, Army headquarters choose to outsource a function simply because contractors are much easier and faster to hire than new government civilian employees. Former Secretary of Defense Donald Rumsfeld highlighted this problem in 2003. Noting that only 17 percent of civilians deployed for Operation Iraqi Freedom were DOD civilians, Rumsfeld argued, “A complex web of rules and regulations prevents us from moving DOD civilians to new tasks quickly. As a natural result, managers in the Department turn to the military or to private contractors to do jobs that DOD civilians could and should be doing.”

The Army, meanwhile, has removed some of the restrictions on its civilian workforce. It recently expanded the number of “emergency-essential” civilian positions, although applicants for these positions must agree to pass a medical exam, receive necessary immunizations, and deploy or remain overseas during crises. Also, the Bush administration’s flawed National Security Personnel System was supposed to streamline assignment policies and reward civilian employees for outstanding performance. Unfortunately, the implementation of this system has drawn fierce criticism from the employees it was designed to reward.

Finally, the Army has initiated several programs to improve professional development for its civilian employees, including an expanded civilian education system. These steps, however, fail to address the civilian personnel system’s traditional and time-consuming methods for validating and filling new positions.

The Army should also re-examine its mandatory retirement policies, which require most officers and enlisted Soldiers to retire upon reaching 30 years of service. On the eve of World War II, Army Chief of Staff George Marshall famously called for younger officers to fill key leadership positions and reduced the Army’s mandatory retirement age from 64 to 60. Military service remains a physically demanding profession, but American society and the demands of modern warfare have changed significantly since 1940. Americans now live healthier, longer lives than they once did, and many military organizations now require more brains than brawn, increasingly relying on highly skilled professionals with specific experience and technical skills. As an all-volunteer organization facing severe manpower challenges, the Army can ill afford to push its most experienced leaders and their accumulated skills into retirement (or into second careers with military contractors).

Current Army doctrine identifies contractor support as a critical force multiplier, and contractors have filled a significant gap in the Army’s capabilities during recent combat operations. Rather than viewing this as a virtue, however, the Army should view its current and overwhelming reliance on contractors as an unnecessary risk, one that senior leaders should reduce as soon as possible. The Army cannot put the contracting genie back in the bottle, but it should seek more opportunities to replace contractors with its own Soldiers and civilian employees, and it should carefully consider the growing threat to its professional identity. The alternative may be a military bureaucracy in which professional Soldiers become an inconvenient luxury.
CONTRACTING AND PROFESSIONALISM


9. Singer, 68.


12. Singer, 68.


18. Zumwalt, 11.


23. Burks, 102.

24. ibid.

25. ibid.


27. U.S. Department of the Army, Office of the Chief of Staff, Executive Office of the Headquarters Staff Group, the 2006 Army Game Plan, 3.


31. ibid., 274.

32. ibid., 283.


34. Peter W. Singer, Can’t Win With ’Em, Can’t Go To War Without ’Em, Private Military Contractors and Counterinsurgency, Policy Paper No. 4 (Washington, DC: Foreign Policy at Brookings, September 2007), 16.