

Reducing the Number of Active Duty General/Flag Officers

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BACKGROUND

This provision complements the provision for reductions in four-star billets and would reduce the total number of general officers/flag officers (GO/FOs) to 721. The reduction here would take out many more positions (~170 GO/FOs¹ v. 14 4-stars) but constitute a smaller percentage reduction (19 percent v. 36 percent). The Senate proposals also include cuts to Guard and reserve GO/FOs and to the Senior Executive Service (SES). These cuts are discussed in separate papers because their background and dynamics are different from those of active duty GOs/FOs.

Section 502 eliminates many statutory requirements for GO/FO billets in order to give the services latitude in making the cuts. As with four-star generals/flag officers, the ratio of overall GO/FOs to troops has been increasing over time; that is, generals have commanded fewer and fewer troops on average. This ratio declined from 1,950 troops per general/flag officer in 1990 to 1,460 troops in 2016.² Many analyses point out that in World War II the ratio was about 5,500 troops per general.

As CSIS's discussion of four-star GO/FO reductions noted, this kind of analysis may not be an entirely fair, as the U.S. military has become increasingly capital intensive and reliant on

¹ The actual reduction in numbers and percentage depends on the GO/FO strength when the guidance is implemented. DoD has not filled all its authorized GO/FO positions, so some of the positions eliminated would be vacant.

² Lawrence Kapp, *General and Flag Officers in the U.S. Armed Forces: Background and Considerations for Congress*, CRS Report 7-5700 (Washington, DC: Congressional Research Service, February 18, 2016), Table 3, <https://www.fas.org/sgp/crs/natsec/R44389.pdf>.

government employees and contractors. Generals command more than just troops. Budget dollars per GO/FO have increased from \$516 million in FY 1990 to \$670 million in FY 2016 (in constant FY 2017 dollars). Nevertheless, the belief is widespread that there are too many generals.

The trends over time are not consistent across the different GO/FO ranks. As with four-star officers, the number of three-star officers has increased. After being stable at about 120 from 1965 to 2000, the number grew steadily to 136 in April 2016, the latest data available.³ In contrast, the number of one- and two-star officers has declined substantially (from 897 in 1990 to 717 in May 2016, -187 or 21 percent). Although substantial, that decline is still less than the 36 percent reduction in the number of troops over the same period. The lowest number of GO/FOs in recent history is 850 in 1995/1996.⁴

In 2011 Secretary Bob Gates announced plans to cut about 100 GO/FO positions, returning the number to pre-9/11 levels. "Our headquarters and support bureaucracies—military and civilian alike—have swelled to cumbersome and top-heavy proportions," Gates said. Secretaries Leon Panetta and Chuck Hagel supported the cuts, and most have been implemented. The total number of GO/FOs today (891) is nearly at the pre-9/11 level (871). The Senate's proposed cut would take the total number of general and flag officers far below any post-World War II level, but the ratio of generals to troops would be at about Cold War levels.

³ Defense Manpower Data Center, *Active Duty Military Personnel by Rank/Grade*, May 31, 2016.

⁴ Defense Manpower Data Center, *Active Duty Military Personnel by Rank/Grade*, September 30, 1995, and September 30, 1996.

Table 1: Remarks from Congress and Administration

SENATE	HOUSE	SECRETARY CARTER/ ADMINISTRATION
25 percent cut.	[No similar provision.]	SAP on Senate NDAA supported some reduction but not statutory goals and included this provision in the long list of veto items.
<p>Senate NDAA 2017 S.2943, Section 501 (Quote from Bill Summary):</p> <p>"[The] reduction in four-star billets would be accompanied by a 25 percent roll down of the overall number of the remaining general and flag officers for each of the services (three-star, two-star, and one-star officers). This was done on the basis of careful consideration of the existing size of the general and flag officer corps in each service, as well as its unique requirements."</p>		<p>SAP on Senate Section 501</p> <p>"While the Administration supports simplifying and improving command and control of the military . . . it objects to section 501, which would arbitrarily reduce the number of general and flag officers by 25 percent by the end of calendar year 2017. Reductions to the number of general and flag officer positions should be made deliberately after reviewing the role of each position and analyzing the impact of the reduction on the force."</p>

ASSESSMENT

The Senate proposal does not have any counterpart in the House National Defense Authorization Act (NDAA) or in Secretary Carter's statements. Based on the SAP and statements by officials, DoD has two objections:

- DoD has already made large cuts in GO/FOs overall, unlike with four-star billets.
- DoD is reluctant to accept statutory direction, preferring to identify areas and amounts of cuts itself.
- The need to staff joint organizations, created by Goldwater-Nichols, has increased demand for GO/FOs.

Nevertheless, the Senate's proposal resonates with concerns about excessive overhead and management bloat. Further, DoD is cutting management staffs by 25 percent, so this appears to be consistent. (Use of different baselines and time periods makes comparisons difficult.)

However, the Senate proposal does *not* include cuts to the number of presidential appointees requiring Senate confirmation (PAS), the rough political equivalents of SES/general/flag officers. The number of such positions has been growing steadily, from 12 in 1947 when the Department was created, to 45 in 2000, to 58 today.⁵ This growth far exceeds that of GO/FOs. Indeed, the number of PAS has increased even as the number of GO/FOs has decreased. There is no reason to exclude PAS from the 25 percent civilian reductions required by the Senate, and several studies, dating back to the 1989 Volker Commission, have recommended a reduction in PAS numbers.⁶ The beginning of the new presidential term in January 2017 affords the best opportunity to make changes in the number and disposition of these positions.

Also missing is an opportunity for DoD to respond to this direction and offer its own proposal. Although it is difficult for institutions to propose such cuts, they also understand their own structure better than any outsider.

RECOMMENDATION FOR WAY FORWARD

The Senate is unlikely to accept the complete elimination of this provision, and DoD recognizes that some further GO/FO reductions are inevitable. However, the full 25 percent cut looks excessive, given the reductions already made.

One approach would be to direct DoD to produce a plan for reductions at different levels, identifying which billets would be eliminated and the resulting impacts. The levels might be 5 percent increments, from 5 percent to 25 percent. This would force DoD to think concretely about reductions and give Congress the information it needs to make an informed decision in a future NDAA about the appropriate level of GO/FO structure.

If a departmental study were not enough, then an alternative way forward could direct a combination of reductions and analysis. This would have four parts:

- Reduce the number of GO/FO officers overall to the recent historic low point of 850. This would cut about 41 billets.
- Reduce the number of three-star billets to the long term, pre-9/11 level of 120, a cut of about 16 (included in the overall cut of 41). Although not large numerically, the cut would constitute a 12 percent reduction in such billets.
- Lengthen the time period for implementation of the cuts, from the end of calendar year 2017 to the end of calendar year 2018. The NDAA may not become law until late in 2016 or even in early 2017. DoD will need time to implement the cuts judiciously.

⁵ Christopher M. Davis and Jerry W. Mansfield, *Presidential Appointee Positions Requiring Senate Confirmation and Committees Handling Nominations*, Congressional Research Service, 2013; Cheryl Y. Marcum, Lauren R. Sager Weinstein, Susan D. Hosek, Harry J. Thie, *Department of Defense Political Appointments: Positions and Process*, RAND, 2001.

⁶ Recently, for example, Business Executives for National Security, *Making Senior Government Service More Attractive*, May 2015, 15, http://www.bens.org/file/Government-Services_May2015.pdf.

Require an independent study of DoD senior leadership (SES/GO/FO), as described in the CSIS paper on cutting four-star officers ([Restructuring National Security: Reducing the Number of Four-Star General/Flag Officers](#)). Include PAS in the study. Allow DoD to comment on the study when it is transmitted to the Congress. With this additional information in hand, the Congress can revisit the issue of cuts to senior positions in a future NDAA.



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