

Remarks of Chairman Thornberry
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I. Intro

I appreciate the chance to be back at CSIS, as well as all of the important work that goes on here which helps inform, educate, and guide many people trying to think through the security problems we face.

I was here in November 2013 to launch a defense reform project that former chairman Buck McKeon asked me to take on. So I thought it made sense to come back to unveil the first installment of that effort.

I mentioned then that I had found no one who thought everything at the Pentagon was perfectly fine. But I did find a lot of skepticism that any reform effort would make much of a difference. And, it is absolutely true that change is hard – especially for a military.

II. Change is hard

Which reminds me of a subject of the most vital importance: trousers.

When you talk defense reform, you probably think about fighters not fabric. But in 1912, trousers were heavy on the mind of the French Ministry of Defense. The British had learned from the Boer War that showy red coats weren't the best in combat. So they switched to khakis. The French, by comparison, still wore bright red trousers and blue coats.

The French Minister of War saw an advantage in having less-visible troops, and sought to institute the same reform as the British. A gentle way to describe the following debate would be that the French have always been fashion-conscious.

Taking away the trousers would be, as a Parisian newspaper wrote, “contrary to French taste and military function” -- notice that “taste” came before “function” in their column.

One former general even took it to a Parliamentary hearing, screaming to ministers that they would “never eliminate our red trousers!”

Later on in a bloody conflict, the French Minister of War wrote that the “blind and imbecile attachment to the most visible of all colors was to have cruel consequences.”

So far, we have been fortunate enough not to have had a general scream about pants in one of our committee hearings, but the French experience is instructive. And as we all know, their reluctance to change was even more devastating for their nation in the next war.

Militaries are traditional by nature – it is part of their strength. But it means that change – even necessary change – is slow and hard.

One of the reasons that military reform for us is necessary is budgetary. Under any budget scenario, resources will be tight, and we have to get more defense value for the money we spend. We also have to show our colleagues and the taxpayers that we are carefully overseeing the use of those funds.

III. Need for agility

I believe that an even more critical reason for reform, however, is the need for agility. Witnesses have testified before Congress that we face a wider array of serious national security challenges now than at least since World War II and maybe ever. We know from the headlines that threats to our safety and well-being are multiplying, and we know from the polls that the public is uneasy.

Just think about the disturbing turn of world events since I was here starting the defense reform project 16 months ago.

China is pushing out its territory, even building islands in the South China Sea, while the Justice Department indicted PLA members for their cyber activities.

North Korea has been busy in cyber as well, while making sure to shoot off various missiles to keep everyone on edge.

The U.S. military was sent to Africa to respond to the Ebola virus epidemic, and the National Guard in Texas was sent to the border to help cope with tens of thousands of unaccompanied minors flooding in from Central America.

Russia invaded and annexed Crimea and has pushed far into Ukraine, threatening the peace of Europe and post-World War II stability, while Putin won't stop talking about where he wants to put his nukes.

Terrorists blew up, shot, beheaded, or enslaved innocent people from Copenhagen, Paris, and Brussels down to Nigeria and across Africa to South Asia in malls, museums, grocery stores, and even schools.

That's not to overlook the stunning success of ISIS in establishing a safe haven in Iraq and Syria, drawing thousands of foreign fighters, humiliating the Iraqi army, and spreading its poison through wide regions of the world.

Nor the fall of the government in Yemen, the source of the most serious threats to our homeland in recent years, as Iran spreads its influence throughout the Middle East and may about to be a threshold nuclear state with the blessing of the international community, setting off a nuclear arms race in the Middle East.

Of course, old problems have not gone away from Afghanistan and Pakistan, to Somalia, to Israel and the Palestinians where there was a 7-week summer offensive in Gaza.

Meanwhile airliners got shot down or disappeared with hundreds of people dying in each.

It's been a difficult time.

No one can foresee what will happen in the next 16 months, but we do know that the velocity of change is accelerating and that the unexpected will spring out at us. The questions are: how well do we -- how well can we -- respond.

IV. Reform agenda

To help us be better prepared for a world of proliferating threats, including those we cannot predict, I think reforms are needed in 3 areas:

One is personnel to ensure that we can continue to attract and keep top quality people. The committee is looking at the recommendations of the Commission on Military Retirement and Compensation Modernization, and I expect we will try to enact some of their recommendations this year.

Second is organization and overhead – the classic tooth-to-tail ratio. As end strength in the services has declined, the bureaucracy in the Pentagon and elsewhere has stayed “robust,” as they say. We need to streamline the bureaucracy partly to save money but also to streamline the process because every office has an understandable human need to justify its existence. I hope we can work with Secretary Carter to make a start there this year as well.

And the third area of reform is improving the way we acquire goods and services.

The definitive edge that our military enjoys comes from two sources: our people and our technology. If we lose our technological edge, our troops lose.

Our military must be both strong and agile. You will hear me talk agility often. This is an age-old military precept that’s as old as the cavalry. The army that can out-maneuver his foe wins. That is why every Mongol soldier traveled with 3 to 4 horses and why the Germans so valued their Panzer formations.

Today you see countries like Russia or China trying to outflank us using technology, whether it’s deploying carrier-killing missiles or building radar that can detect stealth. The only defense is to adapt quicker than they do. I don’t want America to be outflanked.

The hearings and briefings we have had this year point to an eroding American technological superiority. Several factors contribute to that erosion, including the increasing pace of technological change, our broken budget process, and our acquisition process which has a hard time getting modern technology fielded in a timely way. The time it has taken to get capability from the blueprint to the battlefield has the two-generation advantage we have enjoyed vanishing before us.

Last week when Secretary Carter testified before us for the first time in his new job, I pulled off my shelf a book he edited and partially wrote 15 years ago. It can be a cruel thing to do to someone to quote his own words back to him. But in this case I think he was right then and is still right today. He said to maintain a technological edge we have to align our procurement process with market forces and be the world’s fastest integrator of commercial technology into defense systems.

We have, unfortunately, moved away from those goals, not closer to them in the last 15 years.

One of the many lessons I have learned from Dr. Hamre is that the unique government-industry partnership in America has been a key factor in our success in becoming and staying a world leader.

It is a fundamental strength and yet has also been a persistent problem

V. Process

So since I was last here, I have spent the last 16 months listening – and it has not just been me. Many of our committee members on both sides of the aisle, especially the Ranking Member Adam Smith, have listened and read and studied, not only the current system, but past efforts to improve it.

We have listened to folks in the Pentagon, such as Undersecretary Kendall, the Service Acquisition Executives, and the Service Chiefs.

We have listened to industry, including trade associations, companies, and individuals.

We have listened to those who have spent years studying the system from authors and academics to those at the Congressional Research Service and the General Accountability Office.

We have listened to former military and Pentagon and industry officials.

We have heard from people working within the system now managing programs, trying their best to deliver capability to our military on time and on budget.

We have consulted with people completely outside the defense procurement system looking for best practices that can be imported.

We have also listened to each other – to our colleagues in Congress and our staff, many of whom have valuable experience in government and outside.

We have taken all of that input and developed a database with over 1000 specific ideas on what should be done. Now, some of those ideas are better and more realistic than others, but that database will be a resource from which we draw in the years ahead.

Despite the fact that there are many smart, well-intentioned people in this field, I don't think anyone is smart enough to have all of the answers or to understand all of the consequences of a particular change.

So, on Wednesday, I will introduce a bill to serve as a discussion draft for the first tranche of proposals to improve our acquisition system. I invite comments and suggestions, and folks will have about a month to do that before our full committee markup of the FY 2016 NDAA on April 29.

In offering this initial proposal, I expect two reactions:

One is that it doesn't do enough. And that will be right. It is not enough, and it doesn't try to be enough. It is a start. But it is a start that focuses on the basics of the acquisition system – the people, strategy, and decision making.

Another reaction is that it does too much. And I don't think that is right, but that is the reason that I want to put it out there for several weeks and invite comments.

This really is the best application I know of that metaphor of trying to repair the engine while the plane is in flight. This plane cannot go off duty and land while we make all of the needed repairs; it has to keep flying

while we make repairs because we have to defend the country every day. But if we don't improve the system, we will not be able to defend the country.

VI. Proposals

I break the proposal down into 4 categories:

1. People
2. Acquisition strategy
3. Streamline the chain of command
4. Thin out the regulations and paperwork

I will briefly describe each.

It starts with people – our most valuable resource. We would remove some of the obstacles that make it more difficult for top military talent to serve in acquisition and make permanent the Defense Acquisition Workforce Development Fund to help it be used more effectively.

We would also require training on the commercial market including commercial market research to help close the gap between government and industry. And we require specific ethics training for acquisition. To be the world's fastest incorporator of commercial technology, there has to be a lot of interaction between government and industry, and it needs to be clear what is appropriate and what is not.

Secondly, we would require every program start out with an acquisition strategy. It has to be in writing, and it has to be done up front then updated as needed. This strategy would consolidate at least six other requirements and must include the most appropriate type of contract for that acquisition. It must consider whether multi-year is appropriate; it must consider risk management strategies, just like our combatant commanders have to have risk management strategies in their war plans. And it must consider incentives – such as shared savings on service contracts.

Third, we simplify the chain of command for acquisition decisions. A number of requirements on Milestone A and B would move from legal certifications to simple decisions. As a recovering lawyer I can attest that the fewer lawyers involved in the process, the smoother it is likely to go.

One of the reasons things have gotten so bogged down in bureaucracy is that we've tried to paperwork away all risk. Not only can that never work, it slows everything down and creates a situation where no one is responsible and no one is accountable for the success or failure of a program.

The draft will raise the dollar thresholds on a number of authorities, such as simplified acquisition, to make it easier for service chiefs, base commanders, and others to get things done.

And we make clear that the role of the testing community is to test and advise, not to decide.

Fourth, we thin out regulations and get rid of paperwork. In fact there will be dozens of reporting requirements that would be eliminated.

Over and over again, I heard that program managers and industry are forced to manage the process rather than manage the programs.

GAO just came out with a report that evaluates the usefulness of the various certifications in every acquisitions program. Some are useful, but to no one's surprise, some are not.

For example, several years ago Congress was concerned that certain programs were not paying proper attention to preventing corrosion. That was interpreted by the bureaucracy as meaning that every program had to have a corrosion prevention report, which had to get staffed and written before it could proceed. It even applied to computer software – generally not known as a high corrosion risk.

DOD has taken some action to correct this issue in its latest acquisition regulatory guidance, but this is an example of what has gummed up the system.

The best summary of the current system I have heard over the last 16 months was from one of the leaders working in it every day.

The current system is like a bus where the driver is the program manager responsible for getting the program/bus to a certain place on time and on budget. Yet, the bus is full of passengers, and every passenger has their own steering wheel and their own brake. The driver has a pretty tough job.

And when the bus ends up in the ditch, as it too often does, all of the passengers run away to climb on a new bus while the driver is left on his or her own to figure out how to get back on the road.

What we need to do is eliminate other steering wheels and brakes, so there is one decision maker and then we can hold that driver accountable for getting the bus to its destination on time and on budget.

That's what I hope these proposals move us toward.

VII. Other elements

Let me emphasize a few points:

1. There is more to the proposal than I have outlined here. In addition to the changes in law that will be included in the draft legislation, we will release a separate document that is draft report language, including several studies and markers for future legislation. One example is that we have much more work to do on service contracts, on which the Department spends more money than it does on weapons and equipment. We are asking for more information that will help guide our next steps in this area.

2. Part of improving our acquisition process involves changes in the way Congress operates. We are also tied to tradition and often difficult to change. But our military cannot be agile without Congress taking steps to allow and even encourage that.

3. I agree with those who argue that we have a unique opportunity now to make needed reforms. Few Secretaries of Defense have known the Pentagon better than Secretary Carter. He, along with Deputy Secretary Work, and Undersecretary Kendall, the Service Secretaries and Joint Chiefs are all committed to reform. They understand that it is essential.

That commitment is strong on the Hill as well. Chairman McCain and I agree that reform must be one of our top priorities, and we have excellent partners in that effort with Senator Reed and Adam Smith. Many others on our committees are involved.

Several long-time observers have pointed out to me that never before have all of the stars been so favorably aligned with the necessity of reform, the people in key positions, and the commitment to make it happen.

As long as I am privileged to hold this job, defense reform will be a priority – not for its own sake, but for the sake of ensuring our military is as prepared as possible for the wide array of threats we face today and for the unknown security challenges which confront us tomorrow.

We will never get all of the way there, but we should move steadily toward a Department of Defense that is more efficient, effective, and accountable with military capability that is both strong and agile.

In The Guns of August, Barbara Tuchman writes that the “impetus of existing plans is always stronger than the impulse to change.” We have to overcome that impetus, and we have to set aside our skepticism.

We cannot allow “blind attachments” or inertia cause our men and women to “suffer cruel consequences” such as have beset the French and other militaries in history.

If we are smart and persistent, we can stay on top, for there is much, in our country and around the world, that depends on whether we are successful.