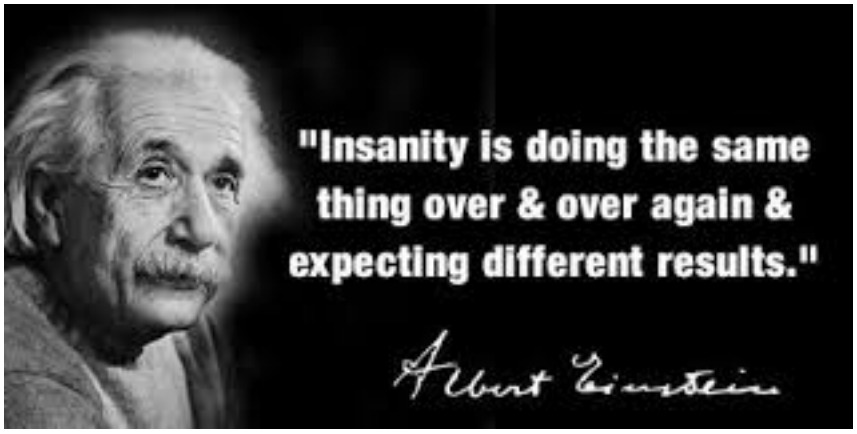


From time to time we like to pontificate on acquisition reform.

You know what acquisition reform is, right?

It's the attempt to change the way the Federal government buys goods and services.

Acquisition reform happens nearly every year, as Congress or the Secretary of Defense or the Office of Management and Budget (OMB) make speeches about how broken the current system is and how they intend to fix it.

Frequently such efforts are aimed at the Department of Defense, that multi-billion dollar acquirer of goods and services in support of the warfighters and national security. Almost every time, such efforts are described as "streamlining" or "fixes" or "efficiencies"—but, in reality, they are based on the input of some constituency or another. Annual constituencies include the Department of Defense itself (or components thereof) as well as the lobbyists of the contractors themselves. Input is provided to Congressional staffers who put forth draft language to other Congressional staffers; and then the input is massaged and negotiated until an acceptable compromise—one that most everybody can live with even if nobody is particularly thrilled with it—is reached.

As we noted in prior articles on this topic, the Clinton Administration was focused on acquisition reform and managed to convince Congress and the various constituencies that it was a topic worth working on. (The alignment is commonly credited to the lessons learned from

the First Gulf War (Desert Shield/Desert Storm) when everybody saw how broken the system had become. We have no evidence that the common wisdom is wrong about that origin.) In contrast, the Obama Administration was late to the game and what reform efforts occurred were found largely within the Department of Defense itself—although (as we noted in several other articles) SECDEF Gate's reform efforts were largely stymied by his own team and those who followed him. We bottom-lined the Obama Administration efforts as being primarily focused on undoing the Clinton-era reforms; whether that was a good or bad thing likely depends on where you're sitting.

So now we have the Trump Administration and we have renewed calls for acquisition reform. "Something must be done!" is the cry. But the cry is without irony and the irony should be there, because haven't we been through all this hoopla before?

"Something must be done!" doesn't seem to acknowledge that "something is always being done and it almost always never works, but you keep on doing it, over and over—making Einstein's observation about the definition of insanity sadly apropos."

It doesn't matter which party is in office or which party has the Congressional majority or whether budgets are tight or free-flowing. The fact of the matter is that this country has undertaken acquisition reform over and over and over for at least 50 years, and we have yet to address the fundamental problems in any meaningful way.

So here we are at the end of 2017 (or the beginning of GFY 2018, if you like) and the 2018 NDAA will introduce a new set of acquisition reforms. Meanwhile, according to **this article** at National Defense magazine (authored by Vivienne Machi), the Army is so focused on acquisition reform that it is going to set up a new Command "to help the service streamline its acquisition priorities." According to the article, "While details remain vague, the command will prioritize six areas of procurement through cross-functional teams. They are in order: long-range precision fires; the next-generation combat vehicle; future vertical lift platforms; network mobility; air and missile defense capabilities; and soldier lethality."

People more cynical than we are might say that the real purpose of the new Army acquisition command is to obtain funding for Army pet projects, funding that has been lacking since the Air Force got its F-35 program funded. But we would never say that.

Meanwhile, the (last) USD (AT&L), Ms. Ellen Lord is reforming the Pentagon bureaucracy, according to **another article** at National Defense (authored by Stew Magnuson). The article reported that—

Her first order of business will be returning oversight of most major acquisition programs from the office of the secretary of defense and the AT&L back to the four services. … The role of her office, which will be broken up into two entities in February — Research and Engineering and Acquisition and Sustainment — will be to simplify the acquisition process. That is where the velocity comes in. It takes too long to make decisions and the bureaucracy must be pared down, she said.

(Lack of quotes in the original.)

So, essentially, the Pentagon is restarting the SECDEF Gates initiative, the one that was blocked by the former USD (AT&L), among others.

Meanwhile, current SECDEF Mattis wants to "reform the business practices of military departments and the DoD itself," according to **this Pentagon press release** . Quoting from the press release—

On reforming business practices, Mattis said the department must make more effective use of the people's treasury.

'The heart of our competitive edge … is reforming the department and its business processes and gaining full value from every taxpayer dollar,' he said.

Reforming the department is going to require that the acquisition enterprise is transformed, he said. … Transforming the enterprise, the secretary said, 'will require delegating decision authority in many cases to the outer edges of the enterprises to unleash the great ideas we find among our bright and committed airmen. It's also important to integrate this across the joint force, because the real strength we've exhibited over 16 years of war is jointness.'

Astute observers of history may recall that streamlining bureaucracy and decentralizing decision-making was the hallmark of Clinton-era acquisition reforms. (Remember “A government that works better and costs less”?) Under the Obama Administration, DCMA blamed those reforms for the loss of skills (including cost/price analysis), and moved to reorganize and create more central decision-making, including Review Boards that micro-manage the decisions of many warranted Contracting Officers.

Now it seems we are headed back toward decentralized decision-making, in a streamlined environment. The pendulum is swinging back.

And somewhere Einstein is smiling and shaking his head sadly.