

Son of Packard

By John T. Correll, EDITOR IN CHIEF

ALL those clamoring for change in Pentagon procurement should get their fill from a plan published in July by Secretary of Defense Richard Cheney. Mr. Cheney was carrying out orders from President Bush, who, in his first address before a joint session of Congress, promised to “fully implement” the recommendations of the 1986 Packard Commission. Packard called for streamlining the bureaucracy, upgrading the acquisition work force, and a long list of other measures.

Mr. Cheney’s plan strips down the roles of the big acquisition commands to supplying services and house-keeping for a permanent corps of acquisition specialists. Each service department will have such a corps, directly controlled by civilian officials in the Pentagon and effectively insulated from the regular military chain of command.

A Defense Contract Management Agency replaces the individual service agencies. An executive committee, headed by Mr. Cheney and consisting of the Pentagon’s top civilian leaders and the Chairman of the Joint Chiefs of Staff, will be formed “to serve as the key policymaking body of the Department of Defense.” The Under Secretary of Defense for Acquisition gets added power, taking him closer to the “acquisition czar” status that Congress so obviously wants him to have.

Mr. Cheney says that in addition to improving defense management, his plan could save the taxpayers \$30 billion over the next five years by eliminating and consolidating organizations and layers of management. Pressed for details, the principal author of the plan—Mr. Cheney’s executive assistant, Paul S. Stevens—acknowledged that the savings estimate was “picked out of the air.” Other parts of the vision are also lacking in substance.

There isn’t much here to make system acquisition any better, faster, or cheaper. The plan concentrates on the services, which had already done a great deal to improve their end of the process, but only feints at the worst problems: micromanagement by Congress, program and budget instability, and a serpentine tangle of legislation.

Defense procurement is governed by 4,000 laws and 30,000 pages of regulations, with oversight exercised by thirty congressional committees, seventy-seven subcommittees, and four panels. On an average day, the Pentagon gets 450 written inquiries and another 2,500 by telephone from Capitol Hill. The Department of Defense spends more than 3,000 man-hours a day preparing reports for Congress.

Mr. Cheney is working up a White Paper further detailing this. He says he will try persuasion, and, if that

doesn’t work, embarrassment, to elicit more reasonable behavior. Mr. Cheney is chasing elephants with a flyswatter. Congress is well aware of the micromanagement statistics, but shows no sign of being either persuaded or ashamed.

Proposals are due from the individual services October 1 on how they will establish their acquisition corps and “clear reporting channels” for them. Each corps will consist of civilians and military officers selected after ten to twelve years of service and “significant operational experience.” Thereafter, officers will spend their entire careers in acquisition, but somehow be assured promotion potential “up to the highest flag ranks.”

Working-level members of the corps will report to Program Executive Officers (PEOs) chosen by the service Secretary and rated on job performance by the civilian Acquisition Executive in the Pentagon. The heads of Air Force Systems Command product divisions could not serve as PEOs, as they do now.

The fate of the acquisition commands will be settled before the next Defense budget submission. One idea making the rounds last month was the consolidation of Air Force Systems Command and Air Force Logistics Command into one organization.

These actions bespeak a strange logic that weapons development should be a function apart, separate from the military mission to organize, train, and equip forces. The plan creates a force within the force, a hierarchy of specialists who answer only to other specialists. Mr. Cheney says mainstream military forces will have plenty of opportunity to be heard. Still, it is difficult to escape the conclusion that they are to participate indirectly and from the sidelines.

The caliber of acquisition personnel may be questionable in some of the services, but that is not the case in the Air Force. We at this magazine have covered Systems Command for years and can confirm emphatically that its program managers know their business. They are not semicompetent amateurs who needed an acquisition corps riding to their rescue.

For all of its defects, the much-maligned defense acquisition system produces the finest weapons in the world. It has kept us five years ahead of the Russians and ten years ahead of everybody else. No other system has yet done it better or at less cost. The shortcomings—magnified many times over in the popular imagination—have little to do with organizational structures or unclear reporting channels.

It remains to be seen whether the streamlined, upgraded, fully implemented successor spun off from the Packard reforms can do as well. ■