



*Guide for a*  
**STRONG  
AMERICA**

21st Century Tradeoffs for Keeping America Safe



# TABLE OF CONTENTS

**A Growing Problem** ..... 3

**A Better Way** ..... 4

**Options for Reform**

    Acquisitions & Equipment ..... 5

    Pentagon Restructuring ..... 16

    VA Services & Retirement ..... 25

    Personnel ..... 30

    Foreign Policy ..... 42

    Bases & Infrastructure ..... 46

**Conclusion** ..... 52

**About Us** ..... 52

## A GROWING PROBLEM

Our country is strained by decades of deficit spending and an ever-increasing national debt. Most annual spending is not even voted on, and the largest department in the discretionary budget is mostly kept off the table for reforms.

This department, the Pentagon, has yet to complete an audit, and too often, the default position is to circle the wagons around any attempts to reform spending or cut programs, even in cases where the Pentagon itself requests the change. Few would dispute the importance of the constitutional imperative to provide for the common defense, but when dollars are a surrogate for strategy, both troops and taxpayers suffer.

This dichotomy between “Defense hawks” and “fiscal hawks” results in higher spending and debt year after year and does a clear disservice to the men and women sworn to protect the nation, not be a partisan bargaining chip or casualty of political dysfunction.

Inefficient operations make America less able to confront threats abroad, and unnecessary spending prevents prioritization of programs that keep our troops safe in the field. At risk of shutdown, military leaders must budget under continuing resolutions, damaging readiness and future planning. Pentagon officials are forced to advocate for every dollar they can get, unsure where the next will come from, incentivized not to cut waste in the hope of getting what they need for the mission.

In December 2017, Pentagon spokesperson Dana W. White touched on this problem in announcing the department's first-ever audit, urging Congress to address budget uncertainty. “Nothing has had a greater impact on combat readiness than CRs,” she said, “and at a time where security threats are high, we really do need the predictability in the budget.”

Most are familiar with the words of former Joint Chiefs of Staff Chairman Admiral Michael Mullen, who said, “The most significant threat to our national security is our debt,” but few are aware of the context in which they were spoken – as a warning that budget strain is harmful not just in an abstract sense but that it directly harms “the strength and the support and the resources that our military uses.” This warning is the framework from which this new guide is built. Discussions of total funding cannot be allowed to distract from the fact that waste and inefficiency harms the military men and women sworn to protect the nation.

## A BETTER WAY

Discussions of Pentagon spending are often proxy battles that relate more to questions of larger strategy and the role of the United States in the world. While these debates are valuable in their own right, the nation's finances should not be a stand-in for strategy or foreign policy. The era of the "cheap hawk" need not be over.

This project does not seek to litigate the role of the military or the proper Pentagon topline but rather catalogues the types of tradeoffs necessary to pursue a modern foreign policy in a fiscally responsible manner.

Readers may find themselves stringently opposed to certain options, supporting all of them, or just a few. We hope that all of the above will find the guide useful and do not advocate that lawmakers pursue every single cut or reform listed here. Instead, we want to present as comprehensive and fair a view as possible of the available options for cuts and reforms, many of which have been requested or supported by military leaders themselves, and all of which with the potential to save precious taxpayer dollars.

As the Pentagon prepares its first-ever audit, we are presented with a unique opportunity to secure reliable, full funding for the nation's armed forces while achieving much-needed reforms. This guide will serve as a starting point by collecting and presenting currently available options.

# ACQUISITIONS & EQUIPMENT

Inefficient acquisitions are one of the most obvious opportunities for improvement within the Pentagon budget. Between 2001 and 2011, more than \$46 billion went toward weapons systems that never entered production<sup>1</sup> – and appropriators have a duty to ensure that such costs occur only as part of unavoidable trial and error, not circling the wagons for political reasons.

The following summarizes options for ensuring just that.



## Acquisitions

### IMPROVE THE MANAGEMENT AND OPERATION OF UNMANNED AIRCRAFT SYSTEMS (UAS)

**Summary:** The DoD should evaluate whether one agency would be more effective at improving the management and operation of UAS.<sup>2</sup> Future UAS programs will become more popular, so it is important that these evaluations are made. The DoD should evaluate whether one agency would be more effective at improving the management and operation of unmanned aircraft systems (UAS) in order to avoid duplication. In the future, UAS programs will likely become more popular, so it is important that these evaluations are made sooner rather than later.

**Status:** Incomplete



## Potential Savings

**Currently  
unknown**

<sup>1</sup> Center for Strategic and Budgetary Assessments. “[Analysis of the FY2012 Defense Budget.](#)” July 15, 2011.

<sup>2</sup> U.S. Government Accountability Office. “[Defense: Unmanned Aircraft Systems.](#)” March 1, 2017.



## Acquisitions

### CANCEL THE LITTORAL COMBAT SHIP

**Summary:** In July 2017, after years of cost overruns<sup>3</sup> and mechanical failures<sup>4</sup> for the Littoral Combat Ship, the US Navy quietly released formal requirements for a new frigate design under the Guided Missile Frigate Replacement Program, with the US Naval Institute describing the project as similar to the LCS. Congressional appropriators should avoid politically motivated attempts to keep funding a program if it is neither working nor wanted and something else can take its place more effectively.

**Status:** No Congressional action



Potential Savings

**\$1 BILLION+**



## Acquisitions

### COMPLETE DOD ACQUISITION STRATEGY FOR TACTICAL WHEELED VEHICLES

**Summary:** The DoD should complete its planned tactical wheeled vehicle analysis on various programs, focusing on both acquisition and maintenance costs to minimize acquisition and support costs and ensure there is not unplanned duplication or overlap.<sup>5</sup> The GAO has identified this action in 2011, yet DoD has yet to implement a broad strategy, leaving open opportunities for duplication.

**Status:** Incomplete



Potential Savings

**\$1 BILLION+**

<sup>3</sup> Task and Purpose. "Did The Navy Just Admit The Littoral Combat Ship Is A Failure?" July 11, 2017.

<sup>4</sup> Military.com. "Third Freedom-Class LCS Breaks Down in 12 Months." 2018.

<sup>5</sup> U.S. Government Accountability Office. "Defense: Tactical Wheeled Vehicles." March 1, 2017.



## Acquisitions

### MINIMIZE THE RISK OF DUPLICATION WITHIN GROUND RADAR AND GUIDED MUNITIONS SYSTEMS

**Summary:** The Joint Staff should be directed to assign all new ground radar capability requirement documents with a Joint Staff designation of “JROC Interest.” All ground radar programs should be examined for possible duplication with other agencies within the DoD.<sup>6</sup> The Office of Cost Assessment and Program Evaluation (CAPE) would then be given the opportunity to analyze alternative plans.

**Status:** Incomplete



Potential Savings

**Currently  
unknown**



## Acquisitions

### REDUCE DUPLICATIVE INVESTMENTS

**Summary:** Responsibility should be given to the appropriate authority to provide assistance in portfolio management efforts for weapon system acquisitions. The DoD can more effectively use portfolio management to ensure that the funds spent on acquisitions for weapons systems are related to strategic goals.<sup>7</sup> Doing so could help ensure the more than \$100 billion spent on weapons acquisitions does not go to waste due to overlap or duplication, and DoD has not designated responsibility for portfolio management efforts.

**Status:** Incomplete



Potential Savings

**Currently  
unknown**

<sup>6</sup> U.S. Government Accountability Office. “[Defense: Ground Radar and Guided Munitions Programs.](#)” October 18, 2017.

<sup>7</sup> U.S. Government Accountability Office. “[Defense: Weapon System Portfolio Management.](#)” March 1, 2017.

 Acquisitions

### SEEK TO INTEGRATE COMMERCIAL, OFF-THE-SHELF TECHNOLOGY

**Summary:** In 2017, the Navy began the process of installing new controllers on Virginia-class submarines – for all intents and purposes, Xbox controllers. The controller was not only intuitively easier for sailors to learn, it also was significantly cheaper to the tune of roughly \$30 per panel as opposed to \$38,000.<sup>8</sup> Seeking further, similar integration can help save costs and reduce training time for service members who grew up using similar technology.

**Status:** Implementation on Virginia-class submarines.



Potential Savings

**Currently  
unknown**

 Acquisitions

### IMPLEMENT BEST MANAGEMENT PRACTICES ON THE DOD'S WEAPON SYSTEMS ACQUISITION PROGRAMS

**Summary:** In the weapon acquisition programs, best management practices are important. Focusing on prototyping and testing appropriately during the design process will help shrink long-run costs.<sup>9</sup> Some steps have been taken to improve management of these acquisitions.

**Status:** Incomplete



Potential Savings

**Currently  
unknown**

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<sup>8</sup> Military.com. "Navy's Most Advanced Subs Will Soon Use Xbox Controllers." September, 17, 2017.

<sup>9</sup> U.S. Government Accountability Office. "Defense: Weapon Systems Acquisition Programs." March 1, 2017.



 Acquisitions

## CAP EXPERIMENTAL FUEL PROCUREMENT

**Summary:** Some Pentagon officials have suggested that the use of experimental fuels, such as algae and used cooking grease,<sup>10</sup> is a national security interest because of the risk inherent in foreign fuel markets. However, in recent years, costs have been several times more than average fuel prices, and there is no guarantee that current investments will be successful. Past private sector efforts to find reliable fuel sources from algae, for instance, were canceled after hundreds of millions in investment.

**Status:** No Congressional action



Potential Savings

**\$9 Billion**

Over 10 years<sup>11</sup>

 Acquisitions

## REDUCE FUNDING FOR THE PENTAGON'S "OTHER PROCUREMENT"

**Summary:** "Other Procurement" covers non-major equipment replacement. With deployments scaling back, it may be useful to better prioritize procurement decisions, placing emphasis on the major equipment that is vital to protecting the country first.

**Status:** No Congressional action



Potential Savings

**\$52 Billion**

Over 10 years<sup>12</sup>

<sup>10</sup> Los Angeles Times. "As Pentagon invests in green fuel, critics focus on the cost." November 18, 2013.

<sup>11</sup> The Denver Post. "Coffman: There are smarter ways to cut defense spending." April 30, 2016.

<sup>12</sup> Ibid.

 Acquisitions

## IDENTIFY COST-CUTTING MEASURES FOR THE NEW AIR FORCE ONE

**Summary:** The new Air Force One design is projected to cost at least \$600 million, which President Trump himself has criticized in the past, after which Boeing was awarded a contract to upgrade the plane for \$600 million instead of the original roughly \$4 billion figure.<sup>13</sup> While Air Force One is no average aircraft by any means, lawmakers should look to identify waste and cut unnecessary costs.

**Status:** Boeing has announced some cost reductions



Potential Savings

**\$1 Million +**

 Acquisitions

## TARGET FUTURE COST OVERRUNS ON THE USS GERALD R FORD

**Summary:** The USS Gerald R Ford entered the Navy fleet in 2017 about three years behind schedule and nearly \$3 billion over budget.<sup>14</sup> President Trump has joined budget watchdogs in criticizing the Navy's cost overruns that have come as a decision to bet on technology that is not fully developed. In future development and modernization, appropriators should beware of funding technology that is not fully developed and look to avoid any cost overruns.

**Status:** No Congressional action



Potential Savings

**Currently  
unknown**

<sup>13</sup> Defense News. "Boeing lands \$600M contract to design new Air Force Ones." September 13, 2017.

<sup>14</sup> CNBC. "The Navy's put down a 'significant bet' on the \$13 billion USS Gerald R Ford, which some say is a risky gamble." July 23, 2017.



## Acquisitions

### DEFER DEVELOPMENT OF THE B-21 BOMBER

**Summary:** As the Air Force prepares to modernize other fleet aircraft, the DoD could save money and potentially help future development by deferring the development for the next decade, after which newer technologies may already be developed and modernization of other aircraft is complete.

**Status:** No Congressional action



Potential Savings

**\$27 Billion**

Over 10 years<sup>15</sup>



## Acquisitions

### BUILD ONLY ONE TYPE OF NUCLEAR WEAPON FOR BOMBERS

**Summary:** Currently, the Air Force has two separate types of long-range bombers that can both carry nuclear weapons and conduct conventional missions. As the United States approaches the modernization of all its nuclear forces, the timing is appropriate to consider phasing out one or the other, with the ability to save \$6 or \$8 billion within the decade.

**Status:** No Congressional action



Potential Savings

**\$6 or 8 Billion**<sup>16</sup>

<sup>15</sup> Congressional Budget Office. "Options for Reducing the Deficit: 2017-2026." December 2016.

<sup>16</sup> Ibid.

 Acquisitions

## REDUCE THE SIZE OF THE NUCLEAR TRIAD

**Summary:** The 2013 Nuclear Weapons Employment Strategy of the United States stated that the U.S. could still preserve a "strong and credible" nuclear strategy with about one-third of the weapons currently allowed under New START treaty. CBO has identified several options for phasing out or limiting the total number of weapons while maintaining the United States' strategic position.

**Status:** No Congressional action



Potential Savings

**\$9 or 13 Billion**

Over 10 years<sup>17</sup>

 Acquisitions

## REDUCE FUNDING FOR SHIP CONSTRUCTION TO HISTORICAL LEVELS

**Summary:** The Navy's current shipbuilding plan calls for a budget roughly 18 percent higher than historical averages over the last 30 years. If the Navy were to cap the budget to this historical average, the number of ballistic missile submarines and aircraft carriers would remain unchanged, while the number of new ships would be cut by a small amount compared to the alternative. In the short term, the Navy would still have an extremely powerful fleet of ships, and could adjust plans according to emerging threats if needed.

**Status:** No Congressional action



Potential Savings

**\$27 Billion**

Over 10 years<sup>18</sup>

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<sup>17</sup> Ibid.

<sup>18</sup> Ibid.

 Acquisitions

## PHASE OUT FORD CLASS AIRCRAFT CARRIERS

**Summary:** This plan would not impact the current class of aircraft carriers, since ships are scheduled to operate for 50 years, and the size of the fleet would not immediately be shrunk. Eventually, the size would decrease when some of the ships stop being used, but if they are deemed necessary because of national security interests, the building process can be resumed.

**Status:** No Congressional action



Potential Savings

**\$15 Billion**

Over 10 years<sup>19</sup>

 Acquisitions

## PRIORITIZE PURCHASING F-16S AND F/A-18 AIRCRAFT

**Summary:** The problems with the F-35 program are well-known, and there are various options both for controlling costs and for moving forward. One option would decrease the cost of replacing DoD's older fighter aircraft while still providing new F-16s and F/A-18s by canceling future purchases. The previously purchased F-35's could still be utilized, but the scheduled purchase later years could be frozen until the aircrafts are improved and made more cost-effective. Even if Congress is not willing to adopt this extensive a proposal, lawmakers should look for any options to control costs and ensure future acquisitions are need-based.

**Status:** Various amendments but no Congressional action



Potential Savings

**\$23 Billion**

Over 10 years<sup>20</sup>

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<sup>19</sup> Ibid.

<sup>20</sup> Ibid.



## Acquisitions

## INCLUDE ADDITIONAL OVERSEAS NAVY BASING

**Summary:** Basing Navy ships overseas puts them closer to conflict zones in the case that they are needed, which could allow for sustaining readiness and allow the shipbuilding budget and fleet to be limited.

**Status:** Incomplete



Potential Savings

**\$10-\$12 Billion**

Annually<sup>21</sup>



## Acquisitions

## IMPLEMENT LONGER DEPLOYMENTS FOR THE NAVY

**Summary:** Longer deployments for ships would be less expensive than buying more ships every year. When possible, increasing the time of use for each ship would allow the mission to be maintained even if costs or fleet size were to be cut.

**Status:** No Congressional action



Potential Savings

**\$11-\$17 Billion**

Annually<sup>22</sup>



## Acquisitions

## DO NOT CHARGE TAXPAYERS FOR SHIPBUILDERS' MISTAKES

**Summary:** The DoD should direct the Navy ensure that contracts specify that when a shipbuilder has made a mistake, taxpayers are not responsible for fixing the damaged product.<sup>23</sup>

**Status:** Partially complete



Potential Savings

**\$1 Million +**

<sup>21</sup> Congressional Budget Office. "Preserving the Navy's Forward Presence With a Smaller Fleet." March 2015.

<sup>22</sup> Ibid.

<sup>23</sup> U.S. Government Accountability Office. "Defense: Navy Shipbuilding." October 18, 2017.



## Acquisitions

## ADOPT “SEA SWAP” POLICIES FOR SHIPS

**Summary:** Crew Rotation, or sea swaps, extend individual ship deployments from six months to nearly a year or longer while holding individual crew deployments to the normal six months. Flying relief crews out to ships instead of having them return to home ports to change crews can result in significant cost savings without unnecessary strain on enlisted servicemembers.

**Status:** No Congressional action



Potential Savings

**\$100 Billion**

Over 10 years<sup>24</sup>



## Acquisitions

## IMPROVE THE MANAGEMENT AND OVERSIGHT OF VIRTUAL TRAINING PROGRAMS

**Summary:** Developing guidance for the use of virtual training will help the DoD determine the time and resources needed to achieve proper training with the devices. Specifically, the Army should direct training developers to document the time available to train with devices as well as intended usage rates.<sup>25</sup>

**Status:** Partially addressed by the Army



Potential Savings

**\$1 Million +**

<sup>24</sup> The Denver Post. “Coffman: There are smarter ways to cut defense spending.” April 30, 2016.

<sup>25</sup> U.S. Government Accountability Office. “Defense: Army and Air Force Virtual Training.” October 18, 2017.

# PENTAGON RESTRUCTURING

In 2018, as the Pentagon prepares to undergo its first-ever audit, identifying overlap, inefficiencies, and waste within the department is more important than ever. While much of the responsibility with certain tasks rests on the executive branch, there are ample opportunities for Congressional leaders to pressure the Administration and Pentagon leadership to take these important actions – both to save money in the immediate term and avoid future waste and duplication.



## Pentagon Restructuring

### REQUIRE ANNUAL REDUCTIONS IN PROGRAMS AND ACTIVITIES NOT ADVANTAGEOUS TO MILITARY CAPABILITY

**Summary:** Creating a long-term plan that analyzes which programs are not fulfilling their duties will help find the cuts that are needed to sustain an effective national defense. By examining each program every year, the DoD will have a better idea of what policies and departments are working well and which ones need reforms.

**Status:** No Congressional action



Potential Savings

**\$150 Billion**

Over 10 years<sup>26</sup>

<sup>26</sup> The Denver Post. "Coffman: There are smarter ways to cut defense spending." April 30, 2016.





## END “SPEND IT OR LOSE IT”

**Summary:** One of the most notorious practices within the federal government, it is supposedly done to save unnecessary funds but can encourage waste and spending sprees at the end of the fiscal year, as management and employees scramble to use up funds so they are not stripped next year.<sup>27</sup> In recent years, GAO has estimated that "carryover" funds across the government were over \$2 trillion across agencies, with several DoD agencies having balances of roughly \$7 billion on average per year from 2007-2012.<sup>28</sup> Various options exist for ensuring agencies are not penalized for finding cost savings, including a plan introduced in the Senate<sup>29</sup> in 2016 and the House<sup>30</sup> in 2017 that would send unused funds to Treasury to pay down deficits while awarding bonuses to employees who find savings. Further action is necessary to ensure full savings are achieved.

**Status:** Rep. Fleischmann (R-TN)'s “Bonuses for Cost Cutters Act” has no expected immediate budgetary impact but is a step in the right direction.



Potential Savings

**\$7 Billion +**

Annually

<sup>27</sup> [The Daily Caller](#). “Bipartisan Bill Discouraging ‘Use It Or Lose It’ Gov’t Spending Moves Through Senate.” May 25, 2016.

<sup>28</sup> U.S. Government Accountability Office. “Key Questions to Consider When Evaluating Balances in Federal Accounts.” September 2013.

<sup>29</sup> [Congress.gov](#). “S.1378 - Bonuses for Cost-Cutters Act of 2016.”

<sup>30</sup> [Congress.gov](#). “H.R. 378 - Bonuses for Cost-Cutters Act of 2017.”



## Pentagon Restructuring

### IMPROVE EVALUATIONS OF HUMANITARIAN ASSISTANCE EFFORTS

**Summary:** Congress should more specifically define DOD's role in humanitarian assistance, by analyzing the roles and similar types of efforts performed by the civilian agencies.<sup>31</sup> This will determine whether or not the DoD is necessary for performing these duties around the world.

**Status:** No Congressional action



Potential Savings

**Currently  
unknown**



## Pentagon Restructuring

### MINIMIZE OVERLAPPING AND DUPLICATIVE MISSING PERSONS EFFORTS

**Summary:** There are eight organizations that play significant roles in recovering missing persons.<sup>32</sup> These organizations should work together to minimize duplicative efforts and ensure they are using all their resources adequately.

**Status:** Partially addressed



Potential Savings

**Currently  
unknown**

<sup>31</sup> U.S. Government Accountability Office. "Defense: Stabilization, Reconstruction, and Humanitarian Assistance Efforts." March 1, 2017.

<sup>32</sup> U.S. Government Accountability Office. "Defense: POW MIA Mission." October 18, 2017.



## Pentagon Restructuring

### EFFICIENTLY MANAGE COMMISSARIES

**Summary:** Developing a plan for finding and implementing various reductions to appropriations will support DOD's efforts to ensure the \$2 billion cost savings target is attainable.<sup>33</sup>

**Status:** Incomplete



Potential Savings

**Currently  
unknown**



## Pentagon Restructuring

### ESTABLISH FORMAL MECHANISMS FOR COORDINATION WITH NOAA

**Summary:** The DoD should work to reduce the risks of gaps in weather satellite capabilities by working with the National Oceanic and Atmospheric Administration (NOAA) and establishing principles that help with their constant coordination. This process could eliminate overlapping duties as well as missed opportunities.<sup>34</sup>

**Status:** Partially addressed



Potential Savings

**Currently  
unknown**

<sup>33</sup> U.S. Government Accountability Office. "Defense: Department of Defense Commissaries." October 18, 2017.

<sup>34</sup> U.S. Government Accountability Office. "Defense: Defense Weather Satellites." October 18, 2017.



## Pentagon Restructuring

### OPTIMIZE BUSINESS OPERATIONS AND SYSTEMS

**Summary:** The DoD should work to identify duplicative investments. This lack of oversight leads to unnecessary and overlapping investments.<sup>35</sup>

**Status:** Partially addressed



Potential Savings

**Currently  
unknown**



## Pentagon Restructuring

### IMPROVE INFORMATION SHARING ACROSS ADVERTISING PROGRAMS

**Summary:** Developing a more straightforward process for sharing marketing and advertising material across the different military branches could help rid the DoD of overlapping work.<sup>36</sup>

**Status:** Partially addressed



Potential Savings

**Currently  
unknown**

<sup>35</sup> U.S. Government Accountability Office. "Defense: DOD's Business Systems." March 1, 2017.

<sup>36</sup> U.S. Government Accountability Office. "Defense: DOD Advertising." October 18, 2017.



## REQUIRE BETTER ENERGY EFFICIENCY FOR DOD BUILDINGS

**Summary:** By metering energy consumption and focusing on energy investments that lower cost, the DoD can drastically improve on the price it pays for energy. Of the ten federal agencies that consume the most energy, the DoD has performed the worst at lowering its energy use per square foot, or Energy Use Intensity (EUI), signaling the ability for potential savings.<sup>37</sup> DoD could be required to match private sector and other agency standards.

**Status:** No Congressional action



Potential Savings

**\$1 Billion**

Annually



## BETTER TRACK RESEARCH AND DEVELOPMENT PROGRAMS

**Summary:** The US government provides research and development funds for a broad range of activities, but R&D funding is typically included along with other funding, making it impossible to tell how much specific R&D funds are being provided until after the fact. By more specifically classifying these funds, DoD can examine whether projects are important for the mission.<sup>38</sup>

**Status:** No Congressional action



Potential Savings

**Currently  
unknown**

<sup>37</sup> The Pew Charitable Trusts. "Power Begins at Home: Assured Energy for U.S. Military Bases." January 12, 2017.

<sup>38</sup> Congressional Research Service. "Federal Research and Development Funding: FY2013." December 5, 2013.


**Pentagon Restructuring**

## EVALUATE CONGRESSIONALLY-DIRECTED MEDICAL RESEARCH

**Summary:** Funding for Congressionally Directed Medical Research Programs (CDMRP) has grown exponentially over the years. The DoD could save money by evaluating which of these are important to national defense and which can be reduced or shifted to other areas of government.<sup>39</sup>

**Status:** No congressional action



Potential Savings

**Currently  
unknown**


**Pentagon Restructuring**

## DEFUND GLOBAL HEALTH-RELATED ACTIVITIES

**Summary:** In order to consolidate duties and resources, the DoD should not be administering global health funding. Their job should include defense and national security, while leaving health initiatives up to other departments that are focused on those issues.

**Status:** No Congressional action



Potential Savings

**\$579.7 Million<sup>40</sup>**

<sup>39</sup> Department of Defense – Congressionally Directed Medical Research Programs. “Funding history.” June 6, 2017.

<sup>40</sup> The Henry J. Kaiser Family Foundation. “U.S. Global Health Policy: The U.S. Department of Defense and Global Health.” September 2012.



## Pentagon Restructuring

### ADJUST FORCE SIZE TO FIT MISSION NEEDS

**Summary:** If possible, lowering the number of troops could be spread across all branches of the military and be based on mission needs. The shrinking of size could satisfy the caps of the Budget Control Act and wouldn't require other adjustments.

**Status:** No Congressional action



Potential Savings

**\$251 Billion**

Over 10 years<sup>41</sup>



## Pentagon Restructuring

### AUDIT THE PENTAGON

**Summary:** By closely examining the books, the Pentagon will have a better idea of how much waste they have and where to make changes and cuts in funding. The amount of money that will be saved is not yet projected, but it is a step towards discovering ways in which the DoD can save.

**Status:** First-ever audit scheduled as of 2017



Potential Savings

**Currently  
unknown**

<sup>41</sup> Congressional Budget Office. "Options for Reducing the Deficit: 2017-2026." December 2016.



## MODERNIZE AND STREAMLINE MILITARY BRANCHES

**Summary:** America maintains duplicate forces: two armies (i.e., Army and Marine Corps.) and four air forces (the Air Force, Marine Corps aviation, Naval Air Forces, and the CIA's fleet of aircraft and drones). Streamlining where possible is a potential avenue for savings and greater efficiency.<sup>42</sup>

**Status:** No Congressional action



Potential Savings

**Currently  
unknown**

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<sup>42</sup> Utley, Jon Basil. *The American Conservative*. "16 Ways to Cut Defense Spending." February 22, 2013.



## VA SERVICES & RETIREMENT

It is impossible to forget the scandal that rocked the Veterans Administration just a few short years ago. Americans were rightly outraged as veterans who had served the country honorably were subject to deplorable conditions and lack of care. While several key steps have since been taken to protect whistleblowers and ensure more accountability, more opportunities for reform exist. The following summarizes some options for lawmakers to save money and better care for veterans in the future.

### VA Service & Retirement

#### IMPROVE PATIENT HEALTH WITH BETTER CHRONIC DISEASE MANAGEMENT

**Summary:** Long-term savings could be achieved by implementing certain programs to address chronic disease. For instance, helping patients educate and monitor their own conditions can help prevent worse breakouts in the future and slow down the costs. Coordinating care between different providers could also improve patients' short and long-term health.

**Status:** No Congressional action



Potential Savings

**\$5.8 Million**

Over two years<sup>43</sup>

<sup>43</sup> Congressional Budget Office. "Approaches to Reducing Federal Spending on Military Healthcare." January 2014.



## REFORM THE VA MAILING SYSTEM

**Summary:** The outdated systems that the VA uses increase the likelihood of human error and potentially driven up costs. The VA reported spending about \$355 million on 200 million pieces of mail in 2016. Unlike many other industries that are becoming more efficient as technology develops, the VA is using old systems and has different reporting requirements across the country, making mail recording difficult to standardize.<sup>44</sup>

**Status:** No Congressional action



Potential Savings

**\$1 Million+**



## AWARD UNEMPLOYABILITY BENEFITS ONLY TO THOSE WHO ARE OF WORKING AGE

**Summary:** VA individual unemployment payments are a supplemental benefit made available if a veteran cannot maintain substantial employment because of a service-related disability, not age or other factors. These supplemental benefits could be made only to veterans who are of working age, while veterans who are between the ages of 65 and 67, depending on the year they were born, could collect from other sources of benefits.

**Status:** No Congressional action



Potential Savings

**\$39.9 Billion +**

Over 10 years<sup>45</sup>

<sup>44</sup> Stars and Stripes. "Lawmakers: 'Unreliable' VA mail data a symptom of larger issues." September 12, 2017.

<sup>45</sup> Congressional Budget Office. "Options for Reducing the Deficit: 2017-2026." December 2016.



## ADJUST ELIGIBILITY FOR VETERANS' DISABILITY COMPENSATION

**Summary:** The GAO has identified a list of medical conditions that are likely not caused or aggravated by military service. The CBO estimates that in 2015, VA paid 716,000 veterans a total of \$3.7 billion to compensate for seven of these medical conditions. Most civilian employers do not cover employees for all medical problems that may have emerged during employment, and reducing or restricting disability compensation to those veterans whose injuries and conditions are related to service could save billions while still compensating those with service-related disabilities.

**Status:** No Congressional action



Potential Savings

**\$26 Billion**

Over 10 years<sup>46</sup>



## IMPROVE OVERSIGHT ON SOCIAL SECURITY PAYMENTS

**Summary:** The Veterans Administration has paid out billions in benefits to deceased veterans. Improving system oversight so that mistakes like this do not happen is extremely necessary, and could save between \$37 and 45 million (based on just one sample).<sup>47</sup>

**Status:** No Congressional action



Potential Savings

**\$37-\$45 Million**

<sup>46</sup> Congressional Budget Office. "Options for Reducing the Deficit: 2017-2026." December 2016.

<sup>47</sup> The Washington Free Beacon. "Feds Paid Dead Veterans \$37 million." September 5, 2017.

## REFORM TRICARE FOR LIFE

**Summary:** Tricare costs the Pentagon over \$50 billion per year providing almost free healthcare to all military retirees and their families for life, and costs are expected to climb up to \$65 billion annually.<sup>48</sup> Minor adjustments to fee scales for these services would help to slow the cost explosion that the VA is expected to have in the next decade. Recent proposals, for instance, have suggested raising costs by \$2.50 per month for individuals or \$5 a month for families.<sup>49</sup> While the plan overall remains contentious, there has been consensus among veterans' advocates to tie future increases to the rate of inflation – and an understanding from Pentagon leadership that the current path and balance sheets are unsustainable.<sup>50</sup>

**Status:** No Congressional action



Potential Savings

**Up to \$7 Billion**

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<sup>48</sup> The Washington Post. “[Tricare target of Pentagon cuts as health care projected to reach \\$65B.](#)” March 14, 2011.

<sup>49</sup> The Washington Post. “[Gates defends health-care fee increase for retirees.](#)” February 17, 2011.

<sup>50</sup> The New York Times. “[Joint Chiefs Support Rise in Health Care Fees for Military Retirees.](#)” February 14, 2011.

## CONSOLIDATE RETIREMENT AND DISABILITY COMPENSATIONS

**Summary:** Until 2003, it was not possible for retirees to receive both full retirement benefits and disability compensation; instead, they had to choose between DoD retirement annuity or VA disability benefits.

However, two classes of retirees – those with combat-related disabilities and those who retire with at least 20 years of military service and receive a VA disability rating of at least 50 percent -- have since been receiving combat-related special compensation (CRSC) or concurrent retirement and disability pay (CRDP), respectively. These payments make up for the difference in the VA offset.

Ending these payments would more accurately reflect the intent of the original legislation while avoiding duplicative payments and saving billions.

**Status:** No Congressional action



Potential Savings

**\$139 Billion**

Over 10 years<sup>51</sup>

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<sup>51</sup> Congressional Budget Office. "Options for Reducing the Deficit: 2017-2026." December 2016.

## PERSONNEL

Few groups better epitomize the spirit of America – and are more deserving of its protection – than the troops who defend the country. Ensuring that active duty servicemembers have adequate resources and promised benefits while working to root out waste and duplication should be a top priority for any lawmaker.



Personnel

### IMPROVE OVERSIGHT OF THE DOD'S PREPOSITION PROGRAMS FOR EQUIPMENT AND SUPPLIES

**Summary:** Clarifying lines of authority and simplifying reporting between various components of the DoD for prepositioning programs could decrease duplication and increase efficiency. Joint oversight is still needed to ensure that this reform is being implemented.<sup>52 53</sup>

**Status:** No Congressional action



Potential Savings

**\$1 Billion+**

<sup>52</sup> U.S. Government Accountability Office. “[Defense: Positioning Programs.](#)” March 1, 2017.

<sup>53</sup> U.S. Government Accountability Office. “[Improved Joint Oversight and Reporting on DOD's Prepositioning Programs May Increase Efficiencies.](#)” May 16, 2011.



Personnel

## MONITOR LIVING QUARTERS ALLOWANCE ELIGIBILITY DETERMINATIONS

**Summary:** The Secretary of Defense could direct monitoring reviews of living quarters allowance (LQA) eligibility determinations. This could potentially equal cost savings by preventing improper allocation of the over \$500 million spent annually on LQA for civilian employees.<sup>54</sup>

**Status:** Incomplete



Potential Savings

**Currently  
unknown**



Personnel

## EVALUATE EFFECTIVENESS OF SPECIAL AND INCENTIVE PAY PROGRAM

**Summary:** Implementing human capital management will determine the full effectiveness of the incentives and special pay programs. Evaluating these principles will ensure whether the programs may need to be changed in the future.<sup>55</sup>

**Status:** Incomplete



Potential Savings

**\$10 Million +**

Annually

<sup>54</sup> U.S. Government Accountability Office. "Defense: DOD's Eligibility Determinations for Living Quarters Allowance." October 18, 2017.

<sup>55</sup> U.S. Government Accountability Office. "Defense: Department of Defense Special and Incentive Pays." October 18, 2017.



Personnel

## REASSESS COMPENSATION EFFECTIVENESS

**Summary:** The Department of Defense is best suited to manage how effective the compensation strategy is to retaining and recruiting new personnel and may be able to modernize how compensation is paid out, saving money while still recruiting and keeping the personnel. The DoD could look toward getting rid of compensation scales that do not meet these goals.<sup>56</sup>

**Status:** Incomplete



Potential Savings

**\$1 Billion+**



Personnel

## REEVALUATE DOD'S CURRENT HEADQUARTERS-REDUCTIONS EFFORTS AND CONDUCT VARIOUS REASSESSMENTS OF WORKFORCE REQUIREMENTS

**Summary:** The Department of Defense could re-evaluate its ongoing efforts at headquarters-reductions and re-examine the decision to focus reductions on management headquarters, as well as conduct periodic reassessments of workforce requirements. This could potentially achieve cost savings and ensure headquarters are properly sized to meet mission and Congressional requirements.<sup>57</sup>

**Status:** Incomplete



Potential Savings

**\$100 Million +**

<sup>56</sup> U.S. Government Accountability Office. "Defense: Military Personnel Costs." March 1, 2017.

<sup>57</sup> U.S. Government Accountability Office. "Defense: DOD Headquarters Reductions and Workforce Requirements." March 1, 2017.





Personnel

## ENFORCE EXISTING ACQUISITION POLICY AND IDENTIFY OPPORTUNITIES TO CENTRALIZE PROCUREMENT OF COMMERCIAL SATELLITE COMMUNICATIONS

**Summary:** The Department of Defense should adhere to its policy that all commercial satellite communications are to be procured by the Defense Information Systems Agency (DISA). If it does not follow its stated strategy and do so, the department remains at risk of higher costs and inefficiencies from contracting for commercial services.<sup>58</sup>

**Status:** Incomplete



Potential Savings

# \$10 Million +

Annually



Personnel

## INDEX INCREASES IN BASIC PAY TO THE RATE OF GENERAL INFLATION

**Summary:** Ensuring that the rate of pay increases corresponds with rates in the civilian economy could control future costs for enlisted personnel who already earn an average higher rate of pay than civilian employees in comparable fields.

**Status:** No Congressional action



Potential Savings

# \$45 Billion

Through 2021<sup>59</sup>

<sup>58</sup> U.S. Government Accountability Office. "Defense: DOD Commercial Satellite Communications Procurements." October 18, 2017.

<sup>59</sup> Congressional Budget Office. "Approaches for Scaling Back the Defense Department's Budget Plans." March 2013.



Personnel

## INCREASE OVERSIGHT OF GOVERNMENT CONTRACTS

**Summary:** The government should not be paying more to contract for a service that a competitor or even a public sector employee can do for cheaper. Congress can pass legislation requiring federal agencies awarding contracts to conduct analyses of whether contractors are more cost-effective, or to use coding systems that allow for comprehensive oversight of cost and comparisons to competitors and public sector counterparts.<sup>60</sup>

**Status:** No Congressional action



Potential Savings

**\$1 Billion +**



Personnel

## SPEND LESS ON MILITARY BANDS

**Summary:** The armed forces maintain at least 135 military bands across the United States, costing nearly \$450 million every year. Even stepping back from the broader debate over their usefulness, this spending should at least be reevaluated. Simply cutting by one-third could save nearly \$2 billion over the next decade, for instance, while freeing up resources for national security needs.

**Status:** No Congressional action



Potential Savings

**\$1.8 Billion**

Over 10 years<sup>61</sup>

<sup>60</sup> Project on Government Oversight. "Bad Business: Billions of Taxpayer Dollars Wasted on Hiring Contractors." 2011.

<sup>61</sup> The Denver Post. "Coffman: There are smarter ways to cut defense spending." April 30, 2016.



Personnel

## REDUCE THE NUMBER OF CONSULTANTS AND CONTRACTORS AT HEADQUARTERS

**Summary:** Some have suggested that there are more consultants and contractors in the Pentagon than necessary -- and they are often paid more than private sector workers. Evaluating the proper size of this contingent will ensure the DoD is not paying for additional personnel that they do not need.

**Status:** Incomplete



Potential Savings

# \$15 Billion

Over 10 years<sup>62</sup>

Personnel

## CUT THE NUMBER OF DOD CIVILIAN BUREAUCRAT POSITIONS

**Summary:** The Pentagon has a large number of civilian bureaucrats whose jobs do not necessarily relate to national defense. Finding duplicative administrative duties and cutting any waste through attrition should be a priority to free up money for national security priorities.

**Status:** Incomplete



Potential Savings

# \$36.7 Billion

Over 10 years<sup>63</sup>


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<sup>62</sup> Ibid.

<sup>63</sup> Ibid.



Personnel

## SHIFT ARMY AND MARINE CORPS TROOPS TO RESERVES

**Summary:** Moving service members to Reserves could preserve ground combat strength while ensuring that the size of the force corresponds more accurately to the drawdown of major ground wars and the increasing use of unmanned warcraft. This could ensure that Americans are safe if the need were to arise, but resources are not used unnecessarily.

**Status:** Incomplete



Potential Savings

# \$52.5 Billion

Over 10 years<sup>64</sup>

Personnel

## USE LOCAL CIVILIAN CONTRACTORS INSTEAD OF MILITARY PERSONNEL TO PERFORM COMMERCIAL-TYPE ACTIVITIES AT MILITARY BASES

**Summary:** Civilian contractors can be cheaper than military personnel, while still being able to do commercial jobs effectively. Paying more for a service that civilians can do makes little sense and can free up well-trained military personnel to perform jobs that civilians cannot, provided there is appropriate oversight to ensure contractors are not overpaid.

**Status:** Incomplete



Potential Savings

# \$53 Billion

Over 10 years<sup>65</sup>


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<sup>64</sup> Ibid.

<sup>65</sup> Ibid.



Personnel

## DEFUND THE NATIONAL DEFENSE RESTORATION FUND

**Summary:** This fund can give the Pentagon more spending flexibility, but lacks oversight to ensure funds are not misspent. Critical mission needs should not be supported via an unaccountable fund. Moving these instead into the base budget allows greater long-term stability and accountability, and can be accomplished easier with a return to regular order and move away from continuing resolutions.<sup>66</sup>

**Status:** No Congressional action



Potential Savings

# \$28.6 Billion



Personnel

## REEVALUATE THE SIZE OF SPECIAL OPERATIONS FORCES

**Summary:** Special Operations currently operate in more than two-thirds of the countries in the world. SOCOM's annual budget has jumped from \$3 billion in 2001 to more than \$10 billion today. Lawmakers should seek accountability and results and reduce spending if necessary.<sup>67</sup>

**Status:** No Congressional action



Potential Savings

# \$1 Billion +

<sup>66</sup> The Washington Examiner. "Kay Granger touts plan to give Pentagon a new \$28 billion fund." September 6, 2017.

<sup>67</sup> The Nation. "American Special Ops Forces Have Deployed to 70 Percent of the World's Countries in 2017." June 26, 2017.



Personnel

## LIMIT INCREASES IN BASIC PAY

**Summary:** Capping the increases in pay may slightly decrease the retention number, but anticipated reductions in the number of active personnel could achieve a balance. Very small (1%) reductions in the anticipated rate of increase could equal significant savings overall.

**Status:** No Congressional action



Potential Savings

**\$21.1 Billion +**

Over 10 years<sup>68</sup>



Personnel

## STREAMLINE INTELLIGENCE AGENCY DUTIES

**Summary:** The Central Intelligence Agency and other agencies often have duplicative duties. Combining duties that overlap would save money and free up resources that could be devoted to national security, while increasing effectiveness and efficiency.<sup>69</sup>

**Status:** Incomplete



Potential Savings

**Currently  
unknown**

<sup>68</sup> Congressional Budget Office. "Options for Reducing the Deficit: 2017-2026." December 2016.

<sup>69</sup> The New York Times. "The Technocracy Boom." July 19, 2010.



Personnel

## ADJUST PENSION ELIGIBILITY FOR NON-COMBAT PERSONNEL

**Summary:** The DoD could adjust the ages at which noncombat or administrative personnel could retire with pensions. For jobs that are not as physically demanding as combat personnel, this change is not only reasonable, it would help free up resources to combat wounded and others in more immediate need.

**Status:** Incomplete



Potential Savings

**Up to \$3.3 Billion**<sup>70</sup>



Personnel

## REDUCE THE NUMBER OF CIVILIAN EMPLOYEES AT THE DEFENSE DEPARTMENT

**Summary:** Half of DoD manufacturing workers are unionized, and waste and inefficiencies can be harder to identify and correct in the civilian workforce. Congress would need to lead with granting approval, as unionization and regulations would slow the process significantly otherwise.<sup>71 72</sup>

**Status:** Incomplete



Potential Savings

**\$8.8 Billion**  
annually per 100,000  
workers<sup>73</sup>

<sup>70</sup> Congressional Budget Office. "Costs of Military Pay and Benefits in the Defense Budget." November 2012.

<sup>71</sup> The New York Times. "The Pentagon's Financial Drawdown." July 14, 2011.

<sup>72</sup> Utley, Jon Basil. The American Conservative. "16 Ways to Cut Defense Spending." February 22, 2013.

<sup>73</sup> Downsizing the Federal Government. "Reforming Federal Worker Pay and Benefits." September 20, 2017.



Personnel

## REPLACE 80,000 MILITARY PERSONNEL IN SUPPORT POSITIONS WITH CIVILIAN EMPLOYEES

**Summary:** The Department of Defense could transfer some of those positions to civilian employees and decrease the number of military personnel accordingly. In 2012, about 340,000 active-duty military personnel were assigned to commercial positions that perform support functions. Those functions require skills that could be obtained from the private sector so that, in principle, those same positions could be filled by civilian employees.

**Status:** Incomplete



Potential Savings

### \$3.1 - \$5.7 Billion

Annually<sup>74</sup>

Personnel

## REPLACE SOME MILITARY PERSONNEL WITH CIVILIAN EMPLOYEES

**Summary:** Many DoD jobs are commercial, and could be performed by civilian employees or contractors. Civilians require less training and do not change positions as rapidly as military personnel do. Doing this would decrease the number of active duty personnel, saving the Department of Defense billions of dollars.

**Status:** Incomplete



Potential Savings

### \$13 Billion

Over 10 years<sup>75</sup>

<sup>74</sup> Congressional Budget Office. "Replacing Military Personnel in Support Positions With Civilian Employees." December 2015.

<sup>75</sup> Congressional Budget Office. "Options for Reducing the Deficit: 2017-2026." December 2016.





Personnel

## CONVERT JOBS THAT DO NOT NEED TO BE FILLED BY OFFICERS TO CIVILIAN POSITIONS

**Summary:** The DoD should assess whether there are currently more officers than necessary for national security, ensuring that funds do not go to unnecessarily expensive personnel.

**Status:** Incomplete



Potential Savings

**\$95 Million**

Annually<sup>76</sup>

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<sup>76</sup> Project on Government Oversight. “[More Brass, More Bucks: Officer Inflation in Today’s Military.](#)”

## FOREIGN POLICY

A diverse range of opinions exist on foreign policy, and there is no single *fiscally conservative foreign policy*. No matter where one falls on the ideological spectrum, seeking responsible spending should be first priority. There are, however, costs for every action, and the following summarizes some options for saving money through larger-scale strategic moves.



### Foreign Policy

#### REDUCE OR CANCEL THE FUNDS PAID TO THE UNITED NATIONS

**Summary:** The U.S. pays more than 176 other member states combined for the regular budget and more than 185 countries combined for the peacekeeping budget. While we are disproportionately funding the UN budget, the benefits the US receives are arguably lacking, and multiple legislative proposals have suggested drawing down or ending US involvement.<sup>77</sup>

**Status:** No successful Congressional action



Potential Savings

**\$8 Billion**

Annually



### Foreign Policy

#### BRING TROOPS BACK FROM AFGHANISTAN

**Summary:** Scaling back the number of troops that are deployed in Afghanistan would provide major savings, in both the immediate and long-term. Aside from the costs of operating in a foreign country, the Pentagon would also save on healthcare costs down the road.

**Status:** No Congressional action



Potential Savings

**\$1 Million**

Per soldier annually<sup>78</sup>

<sup>77</sup> Fox News. "[America, we pay way too much for the United Nations.](#)" June 16, 2015.

<sup>78</sup> The New York Times. "[High Costs Weigh on Troop Debate for Afghan War.](#)" November 14, 2009.



## Foreign Policy

## ADJUST THE NUMBER OF U.S. TROOPS STATIONED IN EUROPE TO MEET 21ST CENTURY NEEDS

**Summary:** Unless there is a national security conflict or concern, the United States could consider removing troops from countries in Europe, particularly allies where no clear strategic need exists. As Rep. Mike Coffman (R-CO) has written, these adjustments can be made and "avoid cuts that harm our strategic posture."

**Status:** No Congressional action



Potential Savings

**\$20 Billion**

Over 10 years<sup>79</sup>



## Foreign Policy

## REDUCE MILITARY AID TO AFGHAN AIR FORCE

**Summary:** The Pentagon continues to give military equipment to the Afghan air force, and now 16 years into US involvement, Congress should reevaluate the amount paid and whether there are opportunities for savings and reductions while maintaining the strategic mission.

**Status:** No Congressional action



Potential Savings

**\$814 Million**<sup>80</sup>

<sup>79</sup> The Denver Post. "Coffman: There are smarter ways to cut defense spending." April 30, 2016.

<sup>80</sup> Military Times. "150 MD-530s may be headed to Afghanistan." September 7, 2017.



Foreign Policy

## REDUCE FOREIGN AID TO EGYPT

**Summary:** The policies of the Egyptian government have encouraged many members of Congress to speak out against foreign aid. If assistance is given to a country, it should have a specific goal and clear deliverables and should not go to countries that harbor terrorist activity or hatred for the United States, argue lawmakers like Senator Rand Paul, who has introduced amendments to end this foreign aid.<sup>81</sup> In 2017, Senate appropriators voted to cut Egypt's economic aid by \$37 million and military aid by \$300 million amid concerns over the Egyptian government's human rights abuses, a move the Trump administration signaled its support for.

**Status:** Incomplete Congressional action



Potential Savings

# \$300 Million

Annually<sup>82</sup>

Foreign Policy

## PRIVATIZE MUCH OF THE WAR IN AFGHANISTAN

**Summary:** In August 2017, the White House and President Trump reportedly mulled the "unprecedented" idea of replacing much of the US military personnel in Afghanistan with private contractors. Details on such a plan have not been fully sketched out, but are worth pursuing as the conflict enters its 17th year with no clear end.

**Status:** No Congressional action



Potential Savings

# \$30 Billion

Annually<sup>83</sup>

<sup>81</sup> Politico. "Paul's attempt to cut Egypt aid killed." July 31, 2013.

<sup>82</sup> AL-Monitor. "Senate panel slashes military aid to Egypt." September 6, 2017.

<sup>83</sup> USA Today. "Trump White House weighs unprecedented plan to privatize much of the war in Afghanistan." August 8, 2017.



## REDUCE FOREIGN AID

**Summary:** The U.S. government currently pledges trillions of dollars to countries all over the world.<sup>84</sup> Many of the countries that we give foreign assistance to do not have a clear need for this support, while often, money is given to corrupt governments who spend little of our aid on their people. Appropriators recently took steps to reduce the amount of foreign aid paid to Egypt, and they could consider the same with other countries, saving billions.<sup>85</sup>

**Status:** Incomplete Congressional action



Potential Savings

**\$25 Billion**

Annually

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<sup>84</sup> Department of State: ForeignAssistance.gov. "[Map of Foreign Assistance Worldwide.](#)"

<sup>85</sup> Foreign Policy. "[Senate Panel Rejects Trump Plan for Cutting Foreign Assistance.](#)" September 7, 2017.

## BASES & INFRASTRUCTURE

Having accurate accounting for the 30 million-plus acres that the Department of Defense holds across its bases and installations worldwide is crucial for avoiding waste and duplication – and also ensuring that limited resources go to support the mission they are intended for. In 2014, GAO revealed<sup>86</sup> that the Pentagon could not properly account for half of its \$800 billion worth of properties worldwide, and more should be done to cut waste and overlap. The following are several options for doing just that.



Bases & Infrastructure

### READDRESS DOD'S OPERATION AND MAINTENANCE APPROPRIATION

**Summary:** The operation and maintenance base budget has risen by nearly 40% since 2000 and represents roughly 40% of 2017 requested base budget funding. Reassessing the amount of money sent to this part of the budget to ensure it is in line with overall force size could save billions of dollars. Reforms could exclude the defense health program from any decreases in funding.

**Status:** No Congressional action



Potential Savings

**\$151 Billion**

Over 10 years<sup>87</sup>

<sup>86</sup> U.S. Government Accountability Office. "Defense: Unmanned Aircraft Systems." September 8, 2014.

<sup>87</sup> The Hill. "Lawmakers offer defense bill amendments to lift BRAC ban." July 10, 2017.


**Bases & Infrastructure**

## LIFT BASE REALIGNMENT AND CLOSURE BAN

**Summary:** The Pentagon has voiced approval of lifting the ban on Base Realignment and Closure. By closing its unused or underutilized facilities, the DoD could save money and distribute resources to places that truly need them and are important to the overall national security needs.

**Status:** Several amendments but no successful Congressional action



Potential Savings

**\$2 Billion**

Annually by 2027<sup>88</sup>


**Bases & Infrastructure**

## IMPLEMENT A PLAN TO GUIDE JOINT BASES THAT COMBINE SUPPORT SERVICES

**Summary:** A plan that searches for savings and efficiencies that can be implemented will help joint bases become more effective and for less money. Leaders may be able to combine services and contract requirements, better use of facilities, and shrink the amount of equipment necessary but need a coherent plan for doing so with measurable goals of cost savings and efficiency.<sup>89</sup>

**Status:** Incomplete



Potential Savings

**\$1 Million+**

Annually

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<sup>88</sup> Ibid.

<sup>89</sup> U.S. Government Accountability Office. “[Defense: Joint Basing.](#)” March 1, 2017.


**Bases & Infrastructure**

## INCREASE THE USE OF SHARED SATELLITE CONTROL NETWORKS AND LEADING PRACTICES

**Summary:** When modernizing satellites, the DoD should identify successful practices from the commercial sector and ensure that they are built on a common network. The creation of a long-term plan will help facilitate this improvement in modernization.<sup>90</sup>

**Status:** Partially complete



Potential Savings

**Millions**

Annually


**Bases & Infrastructure**

## REFORM THE DOD'S EXCESS EQUIPMENT DISPOSAL PROCESS

**Summary:** The DoD could further reassess its disposal process to determine whether additional changes are needed to ensure excess equipment is going to the most appropriate use. Reforming the disposal process would allow federal civilian agencies to utilize unused resources that are currently available, instead of purchasing new items, while a fuller accounting of excess items could avoid future waste in acquisitions. This process has been started, but no clear steps forward announced as of 2017.<sup>91</sup>

**Status:** The DoD has initiated a review to take steps in solving this problem.



Potential Savings

**\$1 Million+**

<sup>90</sup> U.S. Government Accountability Office. "Defense: Defense Satellite Control Operations." October 18, 2017.

<sup>91</sup> U.S. Government Accountability Office. "Defense: Defense Excess Property Disposal." March 1, 2017.





## Bases & Infrastructure

### INCREASE THE USE OF UNDERUTILIZED BASE FACILITIES

**Summary:** The DoD should look to identify and begin to use underutilized space at military installations and move organizations in leased space into those facilities. The focus should be on consolidating and using all available space whenever possible before buying, building, or renting new infrastructure.<sup>92</sup>

**Status:** Incomplete



Potential Savings

**\$1 Million+**



## Bases & Infrastructure

### EVALUATE THE SIZING AND RESOURCING OF COMBATANT COMMAND HEADQUARTERS

**Summary:** Systematically examining the amount of resources that are needed for the combatant command headquarters and carrying out a comprehensive review of the Africa Command Headquarters specifically could potentially save millions and increase efficiency.<sup>93</sup>

**Status:** Incomplete



Potential Savings

**\$1 Million+**

Annually

<sup>92</sup> U.S. Government Accountability Office. "Defense: DOD Leases and Use of Underutilized Space at Military Installations." March 1, 2017.

<sup>93</sup> U.S. Government Accountability Office. "Defense: Combatant Command Headquarters Cost." October 18, 2017.


**Bases & Infrastructure**

## INSTALL LARGE DIESEL MICROGRIDS

**Summary:** Military bases require the use of a lot of electricity but depend upon outdated backup power systems that can put the mission at risk and increase costs and inefficiencies. Switching to an all-diesel microgrid could help the military improve dependability and save money.

**Status:** Incomplete



Potential Savings

**\$8-20 Million**<sup>94</sup>


**Bases & Infrastructure**

## REFORM CONTINGENCY OPERATIONS (OCO) BUDGET

**Summary:** The policy itself wouldn't necessarily save money, but it is a critical step toward fostering accountability. OCO funding is not subject to budget caps and can be spent without any meaningful oversight. Programs that are not related to overseas contingencies should be moved into the base budget.<sup>95</sup>

**Status:** Several amendments introduced but no successful Congressional action



Potential Savings

**Currently  
Unknown**

<sup>94</sup> The Pew Charitable Trusts. "Power Begins at Home: Assured Energy for U.S. Military Bases." January 12, 2017.

<sup>95</sup> Congressional Research Service. "Overseas Contingency Operations Funding: Background and Status." February 7, 2017.


**Bases & Infrastructure**

## RETHINK THE NUMBER OF DOMESTIC AND FOREIGN BASES

**Summary:** The United States currently maintains 800 bases in over 70 countries worldwide. The cost of each base includes more than just paying for the base itself -- it also includes the cost of construction, maintenance, personnel, personnel families, housing, schools, and so on. If the Pentagon were to conduct a comprehensive inventory of worldwide installations based on its assessment of threats, it would have the potential to save billions of dollars by identifying installations that are not necessary to 21st Century national security.<sup>96</sup>

**Status:** Incomplete



Potential Savings

**\$1 Billion+**


**Bases & Infrastructure**

## ENHANCE THE OVERSIGHT OF CONTINGENCY CONSTRUCTION PROJECTS

**Summary:** Pentagon officials responsible for making construction decisions have stated that the current process does not provide the needed speed and flexibility. The Department should evaluate and potentially revise its process on the oversight of construction projects in order to increase efficiency and avoid waste.<sup>97</sup>

**Status:** Incomplete



Potential Savings

**Currently  
unknown**

<sup>96</sup> Vine, David. *The American Conservative*. "The Hidden Costs of Empire." December 11, 2012.

<sup>97</sup> U.S. Government Accountability Office. "Defense: Construction Projects Supporting Military Contingency Operations." October 18, 2017.

## CONCLUSION

The United States is at a crossroads. This status quo has harmed readiness and carries very real consequences for our armed forces, while continuing to place pressure on our current and future financial security. The root of the problem is indisputably spending, and while the Pentagon budget may be a comparatively small part of the nation's overall fiscal picture, the growing refusal to consider any cuts and reforms does a disservice to troops and fiscal sanity alike. All of the above options are different and range both in political chances and savings potential, but we hope that by gathering and presenting all available options, those across the political spectrum can learn to consider tradeoffs that will keep America safe in the 21st century and preserve fiscal solvency into the next.



## ABOUT US

The Institute for Spending Reform is a nonprofit, nonpartisan organization dedicated to finding solutions to our country's escalating national debt, the challenge of our generation. Credible research and impartial information are crucial aspects of fiscal responsibility, so we engage in and promote rigorous academic research on federal spending and budgeting. Learn more at [SpendingReform.org](http://SpendingReform.org).