

Secretary Gates proposes plan to close Joint Forces Command, other budget changes

Jim Garamone, American Forces Press Service

Gates puts meat on bone of department efficiencies initiative

C-Span video:

<http://www.c-span.org/Watch/Media/2010/08/09/HP/R/36791/Secretary+of+Defense+Reforms+Budget.aspx>

WASHINGTON, Aug. 9, 2010 -- Defense Secretary Robert M. Gates is putting meat on the bones of his initiative to reform the way the Pentagon does business and to eliminate duplicative, unnecessary overhead costs.

During a Pentagon news conference today, Gates said the steps he is taking will help the U.S. military fight the wars it faces now, and help ready the force for the wars it may face in the future. With these moves, the secretary said, he wants to instill a culture of saving in the department.

Money saved with these efficiencies will go back into funding needed military capabilities. "To be clear, the task before us is not to reduce the department's top-line budget," Gates said. "Rather, it is to significantly reduce its excess overhead costs and apply the savings to force structure and modernization."

President Barack Obama has programmed in real growth of between 1 and 2 percent into future years' defense budgets, but that is not enough to maintain today's warfighting capabilities and modernize, which requires roughly 2 to 3 percent real growth. The savings in overhead are crucial to making up that difference, Gates said.

Earlier this year, the secretary tasked the services to find \$100 billion in overhead savings over the next five years. "This exercise is well under way, as the services are evaluating their programs and activities to identify what remains a critical priority and what is no longer affordable," he said. "They are all planning to eliminate headquarters that are no longer needed and reduce the size of the staffs that remain."

Gates also authorized the services to consider consolidation or closure of excess bases and other facilities. It is a measure of Gates' determination to save money that he has proposed this, he noted, since Congress has made it almost impossible to close bases. "But hard is not impossible, and I hope Congress will work with us to reduce unnecessary costs in this part of the defense enterprise," he said.

The secretary also announced a number of immediate steps he will take. Gates said he will reduce the funding for support contractor personnel by 10 percent a year for the next three years.

Gates is freezing the number of office of the secretary of defense, defense agency and combatant command manpower positions at the fiscal 2010 levels for the next three years. He said this is just a first step to studying these leadership organizations.

“We will conduct a ‘clean-sheet review’ to determine what our people should be doing, where, at what level of rank in keeping with the department’s most critical priorities,” he said.

He is also freezing the number of senior Defense Department leaders at fiscal 2010 levels. He will appoint a senior task force to assess the number of positions for general and flag officers, senior executive service employees and political appointees. “At a minimum, I expect this effort to cut at least 50 general and flag officer positions and 150 senior civilian executive positions over the next two years,” he said.

Gates also pushed the potential for economies of scale – especially in the information technology arena.

“All of our bases, operational headquarters and defense agencies have their own IT infrastructures, processes and application-ware,” Gates said. “This decentralized approach results in large cumulative costs, and a patchwork of capabilities that create cyber vulnerabilities and limit our ability to capitalize on the promise of information technology.” The secretary directed the department to increase the use of common information technology functions.

The Pentagon is awash in reports; the secretary is freezing the overall number of required oversight reports, and he will immediately cut by a quarter the money allocated to the effort.

The department similarly has a number of boards and commissions that have outlived their usefulness. He directed that the department eliminate those boards no longer needed and an overall funding cut of 25 percent for these boards.

The secretary also is looking for efficiencies in the department’s intelligence apparatus. He has directed an immediate 10 percent reduction in funding for intelligence advisory and assistance contracts and a freeze in the number of senior executive service positions. He also is moving to end needless duplication in the intel business.

“I have directed a zero-based review of the department’s intelligence missions, organizations, relationships and contracts to be completed by Nov. 1,” Gates said. James Clapper, the new director of national intelligence, has expressed interest in doing the same for civilian intelligence organizations, the secretary said.

Finally, the secretary is closing two defense offices and recommending the closure of a combatant command. The secretary is eliminating the offices of the assistant secretary of defense for network integration and the Joint Staff’s section for command, control, communications, and computer systems. “Their operational functions will be assigned to other organizations, and most of their acquisition functions will transfer to acquisition, technology and logistics,” Gates said.

Gates also will eliminate the Business Transformation Agency. The agency – with 360 people and a budget of \$340 million – will transfer responsibilities to other offices.

The secretary is recommending eliminating U.S. Joint Forces Command. The command is the arbiter and proponent for joint training, doctrine and operations in the military, he said, but it means an extra layer in the bureaucracy. It is one of five four-star commands that need to be involved in sending a

military working dog team to Afghanistan, Gates said during a speech in Abilene, Kan., earlier this year.

But driven by joint experience in Afghanistan, Iraq and around the world, the secretary noted, the need for such a joint advocate has lessened. Training and generating joint forces still is important, as is developing and testing joint doctrine. But it does not “require a separate four-star combatant command, which, in the case of [Joint Forces Command] entails about 2,800 military and civilian positions and roughly 3,000 contractors of all kinds at an annual cost of at least \$240 million to operate,” Gates said.

The secretary said the department will help employees affected by these closings.

Gates also wants military personnel and civilians to think outside the box. He wants them to submit their ideas for saving resources, reducing the layers of the organizations and eliminating duplication and overhead.

“Within the department, we are launching an online contest for the purpose of soliciting and rewarding creative ideas to save money and use resources more effectively,” he said. “I would encourage all DoD employees to visit ‘www.defense.gov’ on the Web to learn more.”

U.S. Army War College Archives - News Article - 09 August 2010