



Getting Specific on DOGE Efficiencies: Opportunities for Defense

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The Department of Defense (DOD) is about to undergo a welcome and overdue fundamental shift in its operations. This shift is enabled by four intersecting yet simultaneous forces acting upon it. First, the potential for needed real increases in resources from Congress.¹ Second, clear, global American foreign policy objectives. Third, active participation in defense weapons innovation and production from large and small non-traditional defense contractors. And fourth, a change in the risk profile for reform driven by the Department of Government Efficiency (DOGE) from one in which the fear of failure is replaced with the fearlessness of creativity.²

Describing and providing recommendations for all four of these at once is beyond the scope of this paper, which is focused on opportunities for efficiencies and reprioritization of defense resources. To fully understand the opportunities presented, and particularly the positive pressure DOGE can bring, one should keep in mind the other three forces – money, global leadership, and more players on the field supporting defense technology advancement. All of these elements feed into the changing risk profile that DOGE brings to the table – fearless, innovative, and rapid improvements.

Any review of defense programs, activities and spending starts with strategy and requirements. Or it should. To make the work of DOGE more efficient in identifying and making lasting positive changes, core functions should be central to examining programs, activities and funding across the federal government. This is particularly true for Defense. National defense is too crucial to the survival and prosperity of the nation to get wrong. It also presents meaningful opportunities for improvement. Keeping it simple and therefore more likely to be achievable and sustainable, this paper examines defense in four large categories: 1) organization, 2) weapons systems, 3) operations, and 4) personnel.

There are reasons, and sometimes laws, behind current Department of Defense organization, programs, operations and personnel policies. Some good. Some not. It can be informative to understand why things are the way they are, but delving too deep into the past can also be a distraction. The question DOGE must answer is whether these activities, policies, and structures serve the nation's interest today. The proposals presented here focus on warfighting capabilities, program performance and outcomes, and justification for the changes offered.

One can also not discount the role that fear plays in inhibiting change within the Pentagon. Bureaucracies and federal employees are punished when they try to do something and fail.³ They are rarely rewarded when they try something and it works. Similarly, while the United States has created the global information revolution, since those firms refused to work with the Pentagon in the past, the benefits of those creations never fully materialized for our warfighters.⁴ Similarly, the positives of defense spending spread across the fifty states is also a negative as decisions to cut or stop specific programs, though smart for defense, often incur the wrath of individual members of Congress, putting the entire defense budget at risk. In short, it is often safer for the defense leadership to not change something, resulting in a risk averse culture. DOGE is now changing this risk profile, and that is not a bad thing.

Given that defending the homeland is the paramount task of our nationally elected leaders, three conditions underpin our major assertion that savings generated by these proposed efficiency and program realignment efforts be reinvested in defense requirements to fix funding shortfalls. First, recent bi-partisan commissions of experts conclude the current defense strategy is out of date, insufficient and underfunded for the evolving and escalating threats the nation faces.⁵ Second, the nation's most senior military leaders have advised the political leadership that the budget is insufficient by submitting \$68 billion worth of unfunded requirements in the last three years.⁶ And third, the outgoing Secretary of Defense admitted in a November 2024 letter to the Office of Management and Budget that the defense budget is underfunded and recommended real growth above inflation and a sustained 10-year investment.⁷

Additional funding would not generate the intended capabilities, capacity and readiness if the efficiencies identified by DOGE in partnership with the Pentagon are then diverted to other purposes. However, if DOD can reinvest savings alongside the additional appropriated funds, then the nation can build the military it needs rather than the one it has today, and the goal of Peace through Strength can be realized. Let's begin with the organization changes that should be examined.

Organization

The Department of Defense has too many overlapping and inefficient layers of bureaucracy. The Pentagon has three major organizational structures: The Office of the Secretary of Defense (OSD), to include the Defense Agencies and Field Activities (DAFA); the Joint Staff and Combatant Commands (COCOMs), and the three

Military Departments.⁸ All are required and authorized within the National Defense Authorization Act (NDAA), and up until DOGE, it was assumed that any change, no matter how minor, required engagement and approval from Congress. Recent events have challenged this assumption, but even if Congress asserts itself, major organizational changes could easily be made within the next seven months in the FY 2026 NDAA.

The size and scope of these three major organizations creates a unique dynamic where the whole is actually less than the sum of the parts. These organizations compete against each other to make the warfighting capabilities of the nation less than they otherwise would be. The most straight forward approach to streamlining them is to do two things: (1) realign leadership levels across the enterprise while maintaining the chain of command and (2) deconflict required offices and organizations.

Office of the Secretary of Defense

Responsibility for policy, oversight, and management starts in the Pentagon with the OSD, and this is the place where DOGE should start streamlining the bureaucracy. It is also where the political leaders of the Trump administration have the most hands-on and direct control, so it sets the example for the rest of the enterprise.

As a first step, DOD should embrace and partner with DOGE to conduct a full review of all personnel statutes with a goal of sending a comprehensive repeal, replace, and consolidate legislative proposal to Congress to enable the Secretary of Defense to better manage the defense workforce. In parallel, the Secretary and DOGE should reduce the number of political appointees in OSD by 30 percent and direct each Service Secretary do the same within the military departments. Setting a percentage across the board reduction seems arbitrary and proposals made in this paper will generally avoid such recommendations that are not based on analysis of requirements and associated tasks. But in this case, the number of political positions is itself the generator of requirements and tasks, and making such reductions would allow the rest of the enterprise to purge or re-task staff positions that exist solely to respond to demands from the headquarters level.

As a second step, DOD and DOGE should immediately transfer all military personnel out of OSD and the Service Secretary staffs. These high ranking and costly military personnel compete with the presentation of military advice that is supposed to be provided by the Joint Staff and Service Military staffs. This one change by itself will force the political and military staffs to work together rather than compete with

each other as they currently do, which creates counterproductive friction and duplicative work.

Next, DOD and DOGE should eliminate the competition and duplication between OSD and the Joint Staff, particularly between the Under Secretary of Defense (Policy) and the Joint Staff Strategy, Plans and Policy (J5) directorate. This change will return the joint staff to its primary function of “expediting strategic planning,” coordinating global integration and providing military advice to its civilian leaders.

DOD and DOGE should also eliminate the office of the undersecretary for personnel and readiness (OSD/P&R) and transfer the functions that need to endure to the Comptroller, the director of Cost Assessment and Program Evaluation (CAPE), or to the military departments, who should make a similar move by eliminating assistant secretaries (ASD) for personnel and combining that function with financial management.⁹ This change will also be facilitated by the aforementioned simplification of personnel statutes.

DOD and DOGE should also continue the detailed review of what is commonly called the 4th Estate, the Defense Agencies and Field Activities. The Defense Finance and Accounting Service, which disburses money for DOD, has over 12,000 people and antiquated information technology.¹⁰ Similarly, the Defense Logistics Agency, with 25,000 personnel, could become more efficient with input from leading commercial sector logistic and shipping companies.¹¹ Finally, the Defense Information Systems Agency, with over 20,000 people including contractors, could be made more effective if it were to partner with Silicon Valley firms.¹² These and many other organizational reviews should closely examine whether programs and activities are contributing to military capability and whether centralized management is the most efficient approach.

Military Departments

At the headquarters level, the military departments are split into civilian and military organizations with the Service Secretaries at the top. The military departments then have field components in the form of major commands, support commands, and additional direct reporting units.

All Service major commands should be headed by a three-star military officer (or below) rather than a four-star officer, a change that would cascade through the organization’s general officer/flag officer (GO/FO) ranks. Three-star officers are

more than capable of commanding large organizations within the Services and this one change, as it permeates through the enterprise, would also reduce the number of support staff required - saving money and flattening organizational structures. The four-star rank should be reserved solely for Service Chiefs and their Vice Chief, selected COCOM Commanders, and the Chair/Vice Chair of the Joint Chiefs.

As part of this organizational flattening, the Services should reduce the number of GO/FO as demands from the headquarters level come down and leadership ranks are realigned. A 30 percent reduction target consistent with the cut to political appointees seems reasonable, but workload analysis is more important than specific percentages. Care should be taken to ensure that these reductions occur disproportionately at the more senior level positions. The Services will need to keep a larger pool of one-star generals so that they have a “try-out” period for promotion to the fewer two, three, and four-star billets.

Similar to the GO/FO ranks, DOD and DOGE should examine the civilian senior executive service (SES) workforce for reductions, with a particular emphasis on any position that is called a “deputy.” Though the SES core is the expert, continuity work-horse force of the Department, many deputy positions were put in place because the leader of the organizations had too many meetings to attend. Instead of creating positions to handle the number of meetings – reduce the number of meetings and increase the productivity of those that take place through strict enforcement of agendas, outcomes, and time limitations.

The Joint Staff and COCOMs

DOD and DOGE should similarly reduce the structures of the Joint Staff and COCOMs. While most of the geographic warfighting commands should be led by four-star officers, three-star officers should lead functional commands. As part of a global force review, it may also be time to examine the geographic structure of the COCOMs as well to determine if they still meet objectives. Regional boundaries for the field warfighting structure may no longer be as useful given the global nature of adversary threat alliances.¹³ If that is the case, then merging the geographic commands into three, down from six, could produce one command focused on the Western Hemisphere, one on the Pacific and one on the rest of the world. Functional commands - CYBERCOM, SOCOM, STRATCOM, and TRANSCOM - could remain as they currently exist, although with a three-star commander. SPACECOM could become a specified command under the Space Force (subsumed in what is

currently known as Space Operations Command), which has the added benefit of negating the debate and expense of moving Space Command headquarters.

The joint service requirement to obtain promotion to the GO/FO level should also be eliminated.¹⁴ This will require a statutory change, but that section of law should be repealed because it has led to bloat on the Joint and COCOM staffs and needless disruptions in the careers of promising officers. Rather than encouraging closer collaboration and understanding between components, this requirement has led to a pervasive creation of joint positions simply to allow service members to check the box for advancement.

Weapon Systems

Developing, buying, deploying and sustaining weapons systems are the core of lethality and central to the Department of Defense primary function - warfighting.¹⁵ The Department is stuck in the 1950s in terms of its acquisition strategies, weapons procurements, and capabilities. It was largely left behind in the information revolution that swept through the commercial sector over the past three decades. DOGE can have a large impact by doing two things. First, it needs to clear out programs that are no longer needed.¹⁶ It sounds simple, but it won't be. Doing so is a prerequisite for creating the space and urgency for the second task of bringing in a wider segment of firms to build the modern weapons and information backbone warfighters need to maintain their competitive advantage. DOD must make itself a more attractive and accessible customer both to startups and to larger commercial entities. Only by doing this can DOD move faster and more effectively to defend the homeland and win our nation's wars.

In order to accomplish these two big tasks, following the first step in the Musk algorithm, DOD and DOGE should start by questioning every requirement. It should initiate a program review process at the OSD level by capability portfolio, starting with all acquisition category I (ACAT I) programs. Lead managers should justify the existence of their programs and prove why they are still a good investment relative to current threats and alternative technologies. Conducting the reviews by capability portfolio will highlight both redundancies and gaps in capabilities across the joint enterprise.

For all non-combat acquisition programs (i.e., support systems and enablers), the review should examine which capabilities could be better procured as a service

(commercially owned) rather than a product (government owned) and whether the capabilities should be government operated or commercially operated. As an incentive to openness and creativity, specific recommendations from program owners to terminate a program should include an opportunity to keep the savings and apply it to higher priorities or alternative capabilities within the same organization or mission area. Similar to the “night court” process of the past, the program evaluation would not consider political or other factors until after the full assessment of military utility, performance, analysis of alternatives, and cost-effectiveness are complete.¹⁷

It will take leadership, drive, and nerve to clear out these older programs. DOGE lead Elon Musk has asserted that the Joint Strike Fighter and Abrams main battle tank are obsolete given the proliferation of drones.¹⁸ This claim should be explored. Similarly, the military’s information network needs attention by our world class technology companies. Israel and Ukraine have both done an incredible job integrating commercial companies into their defense sectors. If Ukraine can actually build 4 million drones per year, certainly American industry can do better. DOGE needs to bring this to our warfighters.

Once the round of terminations of the big programs are done, the Department should categorize remaining programs and activities into similar buckets and run the same process until every line item in the research, development, test and evaluation (RDTE) and procurement budgets are covered. The RDTE portfolio is especially ripe for change, given congressional micromanagement of these accounts. The DOD and DOGE should use these appropriations to propose the FY 2026 budget in broad categories rather than the thousands of individual program elements and projects. The current RDTE budget structure is a prime example of why DOD procurement fails and will be discussed in the next section.

If done correctly, tens of billions of dollars in resources should be freed up to pursue and procure cutting edge technologies. Fundamentally, the DOGE challenge is to do a 180-degree pivot within defense acquisition, away from large, exquisite, expensive, and custom-built systems at low volumes and instead invest in high tech, small, inexpensive, and mass-produced systems. It is entirely possible to improve both quantity and quality.

Planning, Programming, Budgeting and Execution (PPBE) Modernization

In order for efficiency efforts to become institutionalized, underlying processes will also have to change. Once such process is called PPBE. Fortunately, a road-map exists in the form of hundreds of recommendations available from the combined PPBE commission report, Atlantic Council study, and other similar efforts.¹⁹ DOGE will have a shot with the FY 2026 budget submission to make the most impactful changes.

To start, DOGE should help DOD create an FY 2026 budget that eliminates the hundreds of thousands of discrete line items in procurement and RDTE. Instead, it should ask Congress to appropriate the money into broad mission areas. Additionally, DOD and DOGE should ask for a FY 2026 \$34 billion single, no-color, multi-year appropriation for use in buying drones and new information technology systems which could then be handed over to the COCOM users rather than to the acquisition bureaucracy. This fundamental inversion of power, money, and authority mirrors the commercial sector, whose success should be applied to government operations to the greatest extent possible. In this approach, the user has the money and then decides what to buy with it. Firms compete to sell items by developing capabilities users will want at a price they can afford. The system within DOD today has an entire class of people (analysts and acquirers) that are bureaucratically separated from actual users yet nevertheless try to decipher and interpret the signals of supply and demand. DOGE should eliminate that entire level.

In its final report, the PPBE Commission recommended restructuring the DOD budget around mission areas, which is an approach DOGE should embrace.²⁰ Appropriators quickly dismissed this recommendation, however, in part because they worried it would undermine their ability to conduct meaningful oversight and direct spending as they see fit. For the budget restructuring to work, the administration and DOD will need to build trust with appropriators.

A good first step in this direction is to use the Space Force budget as a test case, since it is the smallest service with the fewest budget line items. In the FY 2026 request, the Space Force should submit a budget restructured around mission areas rather than the legacy appropriation titles that are based on industrial-age life cycle phases (development, procurement, operation, etc.). Organizing the Space Force budget around mission areas would align appropriations in the same way the Space Force should organize itself internally. As a recent Aerospace Corporation report notes, this would actually give appropriators increased insight into how funding is being used by mission area.²¹ Most importantly, it would align budget authority with operational

responsibility so that Congress can hold Space Force leaders accountable for their performance. Once the new budgeting structure is proven by the Space Force, it should be implemented across the other military services.

As for the requirements piece of the process, DOGE should endorse and pursue the recent recommendation made by Bill Greenwalt and Dan Patt in their report “Required to Fail” and get rid of the superfluous, time-consuming and counter-productive Joint Capabilities Integration and Development System (JCIDS) that, though well meaning, did not, and does not, add value to jointness, capabilities, integration or development.²² The estimated 800 days used by this process to produce little of any outcome is an easy target for redirecting time and money to warfighting activities.

Operations

DOD spends nearly \$340 billion on operations and maintenance (O&M), which funds training, base operations, contracted goods and services, information technology systems, health care, and most of its civilian workforce.²³ This is twice the size of the \$170 billion spent to procure weapons. The scale and scope of money to be saved and efficiencies to be produced in these accounts is in the tens of billions. A ten percent savings of the O&M budget could yield a nearly 20 percent increase in weapons procurement. But there are risks as these programs also provide for the safety of the force and the quality of their facilities and housing.

DOGE has already revealed its playbook in the analysis of other agencies. It starts with payments that go out and works backwards. This is completely antithetical to how DOD decisions are made. Today, particularly in the O&M accounts, DOD starts with the last year’s budget and considers minor changes relative to that baseline. O&M budgets are never really considered from the bottom up—a clean sheet approach – because they cover so many different ongoing activities, making them essentially must-pay in the absence of aggressive, and sometimes very difficult, decisions. DOGE should look for unnecessary leases, staff augmentation contracts (e.g. systems engineering and technical analysis support), expensive IT contracts, subscriptions, and costly services. Its ability to harness the data with a higher than typical risk tolerance will give it a huge advantage in identifying savings in these accounts.

However, it should also be more diligent and humbler when it comes to direct warfighter support. It is fair to question everything, including readiness and training requirements, but it is not prudent to adopt a cut first and assess the impact later approach for everything - an approach from which the nation is still recovering in some ways after the Budget Control Act.²⁴ Where lives are potentially at stake, it should question all requirements but conduct controlled tests of potential changes before making sweeping decisions.

Given the size and scope of the O&M accounts, DOD and DOGE should break this spending into four basic categories for review: (1) base operating support, facilities maintenance and information technology; (2) training and readiness; (3) the Defense Health Program; and (4) programs/activities that do not produce military capability. Though civilian pay is funded in operations accounts, assessment of this category of spending is covered separately with military pay in the Personnel section of the paper. Many of the recommendations below provide specific examples of programs, activities, and organizations, funded primarily through O&M accounts, that could be curtailed or eliminated.

Base Operations Support and Facilities Maintenance

It is difficult to really review defense infrastructure costs without some level of conversation about excess capacity, which inevitably leads to four controversial words – base realignment and closure (BRAC). In order to reduce costs by any real measure, BRAC has to be part of the discussion, as we have seen what happens when the Department instead tries to just cut corners on the upkeep of its facilities and housing. Readiness goes down. Quality of life goes down. Retention goes down. And costs go up.

Clean kills—complete closures of bases—are more efficient and effective than trying to maintain more basing capacity and facilities than DOD needs. Base closures should not be equally distributed across the military services because excess capacity is not equally distributed. For example, previous studies have shown that the Army and the Air Force have 29 and 28 percent excess infrastructure, respectively, while the Navy has a mere 6 percent.²⁵ Again, this has to be about mission and requirements first. Everything else is second.

A comprehensive review – that is not to say a forever study – of defense physical assets – globally – is necessary, followed by a detailed set of recommendations and requests about what to keep, modernize, sell or dispose. And this also means a hard

look at telework and virtual options which, contrary to current administration preferences, can be cost effective and productive alternatives to mandatory physical presence for some duties. General Services Administration (GSA) leases within the national capital region should be easy pickings; realigning and closing unneeded defense facilities is much harder, but should be on the table nonetheless.

DOD information systems for supporting its vast facilities portfolio are obsolete and counterproductive. DOGE could bring in new software to put the entire department's facilities maintenance on one enterprise system. Similarly, the Departments' ability to cost-effectively manage recruiting and personal could eliminate thousands of people who perform these tasks manually.

The requirement that defense contractors keep a separate accounting system should be eliminated. DOD currently requires all vendors to keep two sets of books, one for the SEC and one for DOD.²⁶ For small businesses or businesses new to the defense market, meeting DOD's accounting standards can be a cost prohibitive barrier to entry. This one large step could bring into DOD hundreds of thousands of new vendors that could compete to drive down costs for nearly everything DOD does.

Training and Readiness

Using the pieces of the Musk algorithm, DOGE should question each training and readiness funding line to include review of operational readiness standards, training, reporting, and operational tempo by service and mission area. Where requirements cannot be clearly justified, an evidence-based evaluation process should be implemented to determine what the right requirement (if any) should be before deleting the requirement.

Defense Health Program

The Department spends more per year on overall health care – to include retiree care – than it does on nuclear modernization.²⁷ The health and readiness of the force is paramount to the warfighting mission, as is the promise the nation makes to care for that force into retirement. As such, these costs are essentially a growing must-pay bill. But that also means they must be examined. Utilizing the expert studies and conclusions of the recent past DOGE should review cost trends, management approaches and effectiveness with an eye toward how these programs and costs should best be budgeted and particularly if they should even be part of the defense budget.

Programs and Activities Not Linked to Military Capability

Programs and activities that are not linked to warfighter capability total over \$15 billion and should be evaluated for realignment, revision of management approaches, or for whether they should be performed on the federal level at all.²⁸

For example, the commissaries – or grocery stores in civilian speak – are considered part of the overall benefits package for uniform service members, their families and veterans. But they cost the taxpayer more than \$1.5 billion per year while they struggle to provide modern services and value. They should – and can - be managed differently to provide better service at no cost to the taxpayer.²⁹

The Department of Defense runs excellent schools and it provides educational grants and tuition assistance which together total more than \$4 billion per year.³⁰ These activities should not be considered part of the defense budget and the Department of Education should be focused on educating and training the workforce America needs for security and prosperity. Schools and school systems themselves should be run at the State and local level.

Congress adds over a billion annually in cancer research to the \$4 billion DOD already spends on non-military medical and health research. This is research that can be - and is - conducted by the National Institutes of Health.

The Defense budget includes close to \$1.5 billion in environmental restoration activities (not including climate); projects that duplicate the mission and would be better administered by the EPA.³¹

The Defense budget also includes nearly \$3.4 billions in security assistance and humanitarian relief – State Department missions – and other civil and domestic programs.³²

Personnel

The labyrinth of military and civilian personnel statutory requirements, regulations, policies, and authorities is complicated, burdensome, outdated, and at times contradictory. As recommended above, a full review of this morass for both military and civilian requirements is overdue. It is not as exciting as many of the other recommended reforms, or even as understandable, but the positive impact to be obtained from simplifying it could result in not only saving billions but achieving

overall higher job satisfaction for the force and thereby improving productivity and supporting recruitment and retention of the highly skilled military and civilian workforce the nation's security requires.

In parallel to the full policy review, which could take several legislative cycles, the Department should implement an evidence-based approach to measure the value service members place on different forms of compensation and career flexibility. Using this data, the department should create a package of reforms that include some combination of changes to pay, benefits, and personnel policies to improve recruiting and retention of the right people with the right skills.

The Department should use predictive analytics on existing personnel data at the individual level (performance reviews, service commitments, education, family status, health status, civilian job opportunities, etc.) to forecast which career fields, grades, and units are most likely to deviate from their optimum staffing levels in the future and what steps the military can take now to mitigate these staffing issues.

The department should evaluate military and civilian functions to modernize the mix of requirements. It should also look closely at those military functions that require physical standards and those that do not to determine fitness and readiness criteria that apply universally versus those that apply to specific fields that can be staffed by personnel who are never expected to deploy. And as previously discussed, the requirement of serving in a joint position to obtain promotion to the GO/FO level should be eliminated. The review of personnel functions should also include an update of military occupational specialties and specialty codes within each service to determine which specialties can be deleted or performed by civilians. For example, the following specialties could be eliminated and the jobs filled with civilian employees (if necessary): Army MOS 420C Bandmaster and 640A Veterinary Corps Food Safety Officer, Air Force AFSC 3H Historian.

The Department spends around \$5 billion per year moving military personnel and their families between locations.³³ While some moves are necessary, frequent moves can reduce quality of life for service members and their families, harm retention, and degrade the overall readiness of the force. DOD should issue a new policy that immediately reduces all non-essential permanent change of station (PCS) moves by at least 50 percent. The new policy should also require service secretary approval (that cannot be delegated) on a case-by-case basis for any service member that has more than two PCS moves within a five-year period.

Consistent with the changes noted above to the PPBE structure for management of programs by mission area, the Department should restructure organizations within the services to move acquirers, operators, engineers, and analysts to work side-by-side within each mission area rather than separating these communities into different commands. Doing this would vertically integrate organizational structures to better align budgets and organizations with core missions. Senior leaders for each mission area would have the authority to manage the people and funding within their respective areas—they would develop and buy the equipment and organize and train the people to operate it—and they would be held directly accountable for delivering results.

Conclusion

The civilian and military leadership within DOD have a rare opportunity to partner with the political leadership to drive real change into DOD with the ultimate outcome of producing better warfighting capabilities. This can go one of two ways. One way is that the existing bureaucracy resists DOGE, trying to play for time with a “this too shall pass” attitude. The other is to go all in and do new things or in some cases do many of the things that have been looked at for years and rejected because they are too hard, too risky, or just too unpopular. Civilian and military leaders will have to do things that are unnatural, such as cutting senior billets, giving up contracted support, reducing utopian requirements, and simply letting go of legacy processes, equipment and ways of thinking. But in exchange, they will have the backing of an administration that is willing to spend political capital pushing through reforms on their behalf. If the existing establishment seizes the opportunity that DOGE presents, in four years, the United States military could have a generational change in warfighting capabilities and capacity that nation needs for its global leadership, security and prosperity.

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