

Sections

**Defense**

Air Land Naval Space Cyber C4ISR

Pentagon Congress Global TV/Video

Thought Leadership

Commentary

**Featured Video**

# Coronavirus has kept us close to home. It's a helpful lesson for strengthening national defense.

By **Justin P. Oberman**

 Sep 16, 2020





Despite being warned, with impressive precision, about the dangers of so-called black swan events, America tends to ignore or downplay them because they seem remote, or the perceived financial, societal and political costs are too great. In the aftermath of 9/11, of Hurricane Katrina and other major domestic tragedies, we too often learn that our relevant capabilities have atrophied.

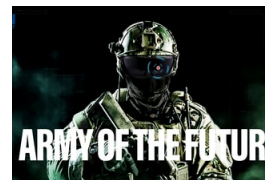
Now, following perhaps the most devastating such event — the [COVID-19 pandemic](#) — the defense industrial base is actively seeking billions of dollars to prop it up without necessarily committing to making step-function leaps forward in a highly complex threat environment.



The Air Force's push for Enterprise IT as a Service



Updates on U.S. hypersonics development



Army Secretary talks trajectory on modernization and climate | Defense News Weekly



A future Bradley replacement and a new troop vehicle | Defense News Weekly Full Episode, 10.16.21

And while keeping the thousands of small companies that support the defense primes alive [is important](#), the Pentagon — flush with cash and a mandate to act quickly to react to the pandemic — should use this opportunity to refine its technology acquisition approach, in part by doing more to engage nontraditional defense firms.

The reasons for bringing in new ideas for defense are clear. Just last week, the Department of Defense released its annual [report](#) to Congress on China, which states that “China has already [achieved parity](#) with — or even exceeded — the United States in several military modernization areas.”

Even more concerning, DoD analysts describe China’s military-civil fusion development strategy as “a nationwide endeavor that seeks to ‘fuse’ its economic and social development strategies with its security strategies to build an integrated national strategic system and capabilities in support of China’s national rejuvenation goals.”

Ad

Ad

## RELATED



### China's industry reaps the benefits of political connections, international trade

Find out how the Asian economic powerhouse has taken advantage of an...

By **Mike Yeo**

---

The United States doesn't need and shouldn't pursue a "fusion" strategy; rather, we need a better approach to strengthening the defense industrial base and engaging with innovators.

The United States is at [risk](#) of losing its ability to manufacture critical national security technology thanks to a combination of byzantine domestic procurement processes, offshoring and overseas competitors. To counter these and [other](#) negative trends, the DoD needs a sustainable, continuous innovation model.

[In Silicon Valley](#), everyone from the biggest players to the youngest startups view working against or around slow, tired establishment organizations as almost a prerequisite to success (Uber vs. taxis, Tesla vs. legacy automakers, Amazon vs. everybody). Despite the Pentagon's attractive budget and important missions, many innovators are repelled by restrictive requirements, lengthy sales cycles, high costs of bidding and a deck often stacked in favor of large prime contractors.

The DoD must throw open its doors to innovators and free itself to make bets; if it does, it will get more world-class tools for its mission owners. The department should:

Ad

**Make requirements less prescriptive, easier to understand and run two ways.** Develop an outreach program for innovators that uses channels they're already occupying, in language they understand, with

### Trending Now

1. Booster rocket failure scuttles hypersonic test
2. China shows off drones recycled from Soviet-era fighter jets

requirements that are compelling. Encourage two-way communication that surfaces non-obvious solutions to critical defense missions. At the Transportation Security Administration, we worked with an In-Q-Tel-backed company that was founded in Las Vegas to catch casino cheats; the Pentagon should look for similar outside-the-box opportunities.

### **Engage substantively with private sector innovation**

**experts.** The best investors and executives back successful entrepreneurs, mentor them as they refine their offerings and support world-changing scale. The DoD needs these skill sets and should set up (unpaid) innovation mentoring boards.

### **Insert flexibility into contracting and financing.**

To remove barriers to entry without sacrificing quality, the DoD should:

- Create “off-campus” labs to mitigate procurement and security clearance delays.
- Build on the work of Dr. Will Roper, the assistant secretary of the Air Force for acquisition, technology and logistics. to ensure innovators [don't run out of funding](#).
- In what would be a great advancement and threshold change, work with Congress to arrange for

3. The U.S. is wholly unequipped to resupply forces in a great-power conflict

4. A British aircraft carrier departs Singapore amid tensions in the Pacific

5. 'Uncharted waters:' With no Hyten successor in sight, DoD prepares to delegate vice chair jobs

private sector investment in key technologies to bolster programs of record.

**Lift government price and margin controls.** Cost, often controlled through the anti-innovation technique of lowest-price, technically acceptable contracts, is not the key metric, particularly in emerging, dynamic technologies. What matters are outcomes and value. Restricting profit to a bureaucrat-calculated rate of 15 percent will drive innovative and nimble companies away from the DoD. Cost does not effectively incorporate other important metrics, including risk, prior investment and return on investment. Order quantities and frequency are also critical in determining reasonable costs, as these factors underpin business cases.



It's not a coincidence that the world's largest, most innovative economy belongs to the same country that has the world's largest, most lethal military and is the



Ad

world's most attractive target for emerging threats.

The threat environment (intensified by the pandemic) makes clear that we need to change our approach; the state of our economy means that we need to start now.

*Justin P. Oberman was a founding employee of the Transportation Security Administration after 9/11 and later served as a senior executive at the Department of Homeland Security. He also founded Apple Cart Ventures.*

Share:      

### More In Commentary >

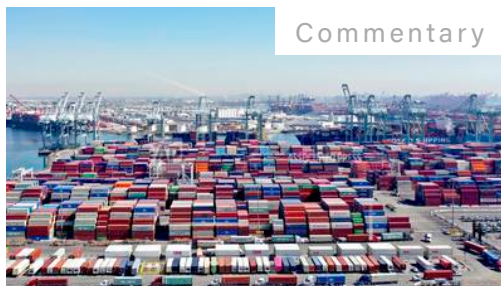
Are adversaries using US critical infrastructure as a training range?

Critical infrastructure is a significant attack vector to track and defend. Still,...



The U.S. is wholly unequipped to resupply forces in a great-power conflict

The current American consumer goods crisis presages the effects of a...



The Army is getting

