

DEFENSE WASTE INITIATIVE

To: Paul
From: Mike, Jim, Chris C.

I. The Pryor Initiative

- A. Senator Pryor had introduced a bill in the last Congress to establish, within the Department of Defense, an independent Office of Operational Testing. The Office is to be responsible for monitoring and passing independent judgement on new weapons before they reach production.
- B. The institution that the Pryor bill would set up would be subordinate to the Secretary of Defense.. This architecture has been attempted before and failed. It can be demonstrated that critics of the Pentagon's arms procurement policies can and will be stifled if they are subordinate to the Secretary of Defense.
- C. The Pryor bill places control of the Office in the hands of a Director who is nominated by the President and confirmed by the Senate. He serves at the discretion of the President.
- D. The Office is to be funded as a separate line item in the DOD budget. This is designed to help prevent the problem which occurred under Harold Brown, where a similar office was relegated to obscurity by being underfunded and understaffed.
- E. By being under DOD, the Office would be staffed by DOD personnel. In previous attempts at such offices, the personnel were found to be reluctant to make waves because they still had to return to the offices which were effected by their decisions.
- F. Summary of Pryor bill contents
 1. It establishes within DOD an Office of Operational Testing
 2. The Office is headed by a Director nominated by the President and confirmed by the Senate
 3. The Director must approve operational testing plans
 4. The Director reviews tests results and conveys his judgements to the Secretary of Defense
 5. The Director also provides reports for Congress
 6. The Office would be a separate line item in the DOD budget.

II. Comments

- A. The problem which the Pryor bill attempts to solve seems to be endemic to the system. There are numerous examples of weapon systems which were procured before successful testing. There are reasons for this:
 1. Once into production, weapons are difficult to stop.
 2. Political decisions are involved, such as agreements with other nations
 3. Defense officials are afraid to attack programs dear to the hearts of their superiors.
- B. Under Harold Brown a separate office for independent testing and evaluation was set up. Despite being understaffed and underfunded, this group discovered several major weapons systems that had been prematurely pushed to production despite serious failures during testing. In October of 1978, the new independent office asked to be disbanded because of the impossibility of carrying out its function without appropriate staff and charter.
- C. Secretary Weinberger's policy is to get new weapons into production with least amount of realistic operational testing so as not to endanger Congressional approval. He wants to reduce the review and evaluation process so as not to delay deployment.

III. Independent Operational Testing Agency (IOTA)

A. The only way to assure proper testing before production is to place the test evaluation under the auspices of an independent agency funded by Congress. This agency, IOTA, should be given a substantial degree of power. Its authority should include:

1. Prior approval of test procedures for large systems
2. Participation in test programs as an impartial judge/observer
3. Evaluation of test results to determine success or failure
4. Approval of any changes in operational requirements after a failed test and prior approval of new test procedures.
5. Automatic imposition of a procurement ban after determination of test failure.

The results of a failed test would be reported both to Congress and the President. A strong bill would prevent procurement contracts from being let until a system is successfully tested, unless there is a National Emergency.

B. Composition and Operation of IOTA

1. IOTA would be headed up by a Director, supported by an Advisory Council, with the Director serving as the Chairman of the Council. Other members would be

- a. the Secretary of Defense
- b. the National Security Advisor
- c. the Director of OMB
- d. the Comptroller General

and e. four members appointed by the Director of IOTA

2. The Advisory Council would advise the Director on the following:

- a. acceptability of test procedures
- b. accuracy of staff reports on failed tests
- c. changes in performance criteria, with regard to the extent the changes meet defense needs.

3. The Director would be nominated by the President and confirmed by the Senate (referred to Armed Services) to serve a six year term.

C. IOTA should be separately funded.

D. Comparison with Pryor program

1. IOTA would be independent; Pryor's group is under DOD.
2. The IOTA Director serves a fixed term; Pryor's Director serves at the discretion of the President.
3. IOTA would stop procurement of a weapon which malfunctions or cannot meet performance specifications; Pryor's organization can only recommend a termination of procurement.