Commissioner Tillie K. Fowler

I commend the hard work and deliberations of the Commission on the Future of the United States Aerospace Industry and particularly the dedication and vision of Chairman Robert Walker. I strongly believe the Commission has fulfilled its statutory mandate to examine the role of the domestic aerospace industry as part of the nation’s overall economic and national security.

While I agree with the majority of the Commission’s findings and recommendations contained in this final report, I am concerned with several assertions that have a direct impact on our armed forces. In particular, in Chapter 6, the report states that “current export controls are increasingly counter-productive to our national security interests in their current form and under current practices of implementation.” I agree that the economic and national security environment has changed radically since Congress passed the 1979 Export Administration Act and believe a thorough revision of our export control policies is warranted. At minimum, I support a regular review of the Munitions List and a more expeditious license review process. However, I firmly believe that national security interest must always take precedence over economic or foreign policy considerations in application of the export control process.

While the United States should not, as a matter of course, seek to control commodities with wide foreign availability or mass-market penetration, the export control system must focus on sophisticated technologies and equipment that have limited foreign availability and pose a potential threat to the U.S. and its allies. For these reasons, the Department of Defense must continue to be a full partner in the process to guarantee that national security equities are considered when approving, denying or conditioning an export license.

In Chapter 7, the report states there are “many opportunities for redefinition and prioritization of routine non-inherently governmental activities currently performed by government agencies.” While the government must continuously examine cost savings to be derived from outsourcing, I believe it is essential that risks associated with the process of shifting functions to the private sector are properly weighed. Notably, in the mid 1990s, the Department of Defense endorsed outsourcing of its commercial functions as a means to fund modernization. At that time, DoD adopted the procedures contained in OMB Circular A-76 to accomplish this task and contended that, irrespective of the public/private outcome of the competitions, there would be substantial savings. Unfortunately, these savings never fully materialized and modernization and readiness suffered as a result.

The Commission’s call for a comprehensive review to identify functions and services that are not “core” to the effective execution of the government’s mission raises a number of significant questions. Congress has repeatedly voiced concern that the military services have not adequately or uniformly applied criteria to determine the definition of “core” with respect to warfighting capability. I am also concerned with the process by which competitive sourcing decisions can be authoritatively made by the Department of Defense. In particular, the military services have struggled to provide dependable technical data on the performance of military depot workloads. Accordingly, using such unreliable data as the basis for public-private competitions may jeopardize the nation’s military readiness and surge capability. As recent history has demonstrated, combat is not a “just-in-time business,” and adequate stocks of munitions, parts, and spares are essential to achieving mission success. The remaining military depot facilities are unique in their workforce flexibility, capability, and commitment to the warfighter and must be sustained as an integral part of the nation’s critical defense infrastructure.