



Acquisition Research Program: Creating Synergy for Informed Change

Panel 17

Strengthening the Industrial Base

Ms. Matice Wright, OUSD(AT&L)
LtGen Lawrence Farrell (USAF, ret.), NDIA
Mr. David Berteau, CSIS

Panel chair: Dr. Michael McGrath, ANSER

Background

Studies Voice Growing Concerns

- 2008 DSB Study, “Creating a National Security Industrial Base for the 21st Century: An Action Plan to Address the Coming Crisis”
 - <http://www.acq.osd.mil/dsb/reports/ADA485198.pdf>
- 2009 AIA Report, “The Unseen Cost: Industrial Base Consequences of Defense Strategy Choices”
 - <http://www.acq.osd.mil/dsb/reports/ADA485198.pdf>
- 2009 Lexington Institute Report, “Reversing the Decline: A Role for the Defense Budget”
 - <http://www.lexingtoninstitute.org/library/resources/documents/Defense/Reversing-Industrial-Decline.pdf>
- 2009 ICAF Report, “Industry Study Final Report: Manufacturing Industry”
 - <http://www.ndu.edu/icafe/programs/academic/industry/reports/2009/icafe-is-report-manufacturing-2009.pdf>



Background – 2010 QDR

Strengthening the Industrial Base

- Defense industry has consolidated and contracted around 20th-century platforms
 - Not monolithic sector – reaches deeply into overall US economy
 - Irreplaceable skills reside within non-prime suppliers
- Financial community important to health of IB
 - Cannot take access to capital for granted
- DoD will adopt a more integrated approach
 - Identify potential single points of failure earlier in acquisition
 - Comprehensive (interagency) approach to industrial policy
 - Focus ongoing industrial base assessments on future needs
 - Place transparency and dialogue with industry at forefront of agenda



Panel #17 – Strengthening the Industrial Base

Chair: Dr. Michael McGrath, Analytic Services Inc.

- ***DoD Viewpoint on Strengthening the Industrial Base***
Ms. Matice Wright, Deputy Director of Industrial Policy,
OUSD(AT&L)
- ***Requisites for a Strong Defense Industrial Base***
Lt. Gen. Lawrence P. Farrell, Jr., USAF (ret.),
President, National Defense Industrial Association
- ***The Defense Budget and Defense Industry Finance***
Mr. David Berteau, Roy Levy and Matthew Zlatnik,
Center for Strategic & International Studies

