DOD Needs a Joint and Integrated Investment Strategy

What GAO Found

DOD’s efforts to recapitalize and modernize its tactical air forces have been blunted by cost and schedule overruns in its new tactical aircraft acquisition programs: the Joint Strike Fighter (JSF), the Air Force F-22A, and the Navy F/A-18E/F. Collectively, these programs are expected to cost about $400 billion— with about three-fourths still to be invested. The JSF program, which is expected to make up the largest percentage of the new fleet, has more than 90 percent of its investments still in the future. Increased costs and extended development times have reduced DOD’s buying power, and DOD now expects to replace legacy aircraft with about one-third fewer new aircraft compared to original plans at each program’s inception.

The outcomes of these acquisition programs directly impact existing tactical aircraft systems. Until new systems are acquired in sufficient quantities to replace legacy fleets, legacy systems must be sustained and kept operationally relevant. Continual schedule slips and reduced buys of new aircraft— particularly in the F-22A and JSF programs— make it difficult for program managers to allocate funds for modifying legacy aircraft to meet new requirements or to set retirement dates for legacy aircraft. Lengthening the life of legacy systems also impacts DOD’s new tactical aircraft acquisition programs. DOD has become increasingly concerned that the high cost of keeping aging weapon systems relevant and able to meet required readiness levels is a growing challenge in the face of forecast threats and reduces the department’s flexibility to invest in new weapons.

DOD’s tactical aircraft investments are driven by the services’ separate acquisition planning. Moving forward, these plans are likely unexecutable given competing demands from future defense and non-defense budgets. The EA-6B—providing tactical radar jamming capabilities for all services and one of the few examples of a joint asset— is also expected to be replaced by separate and unique aircraft for each of the services. Without a joint, DOD-wide strategy for tactical aircraft investments, it is difficult to identify potential areas where efficiencies might be achieved or where capability gaps might occur in DOD’s tactical aircraft acquisitions.

Planned Changes in Tactical Aircraft Inventories

<table>
<thead>
<tr>
<th></th>
<th>Inventory 2006</th>
<th>Inventory 2025</th>
<th>Inventory reduction</th>
<th>Percent reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Air Force</td>
<td>2,500</td>
<td>1,800</td>
<td>700</td>
<td>28%</td>
</tr>
<tr>
<td>Navy &amp; Marine Corps</td>
<td>1,200</td>
<td>900</td>
<td>300</td>
<td>25%</td>
</tr>
<tr>
<td>Total</td>
<td>3,700</td>
<td>2,700</td>
<td>1,000</td>
<td>27%</td>
</tr>
</tbody>
</table>

Source: DOD data, GAO analysis.

Note: These numbers are approximate to show relative changes in amounts.

What GAO Recommends

To achieve better outcomes in acquisition programs and investment planning, GAO recommends that DOD (1) take decisive actions to shorten cycle times in developing and delivering new weapon systems and (2) develop an integrated and affordable enterprise-level investment strategy for tactical air forces.


To view the full product, including the scope and methodology, click on the link above. For more information, contact Michael J. Sullivan at (202) 512-4841 or sullivamm@gao.gov.