

Senate Armed Services Committee
Hearing on Defense Innovation and Acquisition Reform
Opening Statement – Honorable James F. Geurts

28 Jan 2025

Chairman Wicker, Ranking Member Reed, and distinguished members of this Committee, I am honored to appear before you today in this hearing on defense innovation and acquisition reform.

Having spent my entire career of nearly 40 years driving innovation in defense acquisition, whether in uniform, as a government civilian, as a senate confirmed appointee, or now in the private sector, it's a subject that is of great importance to me and to the security of our Nation. I have had the honor to lead some of the Nation's finest acquisition teams in times of both war and global competition, and I have seen that it is possible to execute an operationally responsive acquisition system when there is clear understanding of intent, a sense of urgency at all levels of the organization, a close connection between acquirer and operator, a robust and diverse network of industry partners, transparency to all stakeholders, and an empowered and accountable acquisition workforce.

Unfortunately, over the last several decades, our ability to achieve that level of acquisition performance across the entire Department has decayed. The industrial base which has served us so well since WWII is struggling to adapt at scale to the changing global conditions. The accumulation of decades of statutes, regulations, processes, special interests, and outdated systems have further hobbled the ability of the Department to rapidly field new capability at operationally relevant timelines. The risk averse culture which permeates much of the existing bureaucracy, with unclear and overlapping responsibilities across numerous departments and organizations, clouds accountability and cripples timely and effective decision making at all levels. It is clear just making piecemeal incremental changes to the existing system, as we have attempted over the last several decades, will not be sufficient to achieve the speed and scale we now need as a Nation.

The challenges facing the Department of Defense and Nation are many. The Department needs to be innovative, productive and agile while also ensuring they are relentless stewards of the taxpayers' money. Rather than trying to rebuild the defense industrial base America once had, the Department should forge the future industrial network the nations needs while at the same time making fundamental changes in how the government effectively leverages this future industrial network. Harnessing our collective capabilities, talents, and innovations into such a dynamic and aligned network will help overcome the limitations of linear thinking and risk averse approaches that have impaired the nation's competitive position in an increasingly challenging world. It will improve the revitalization of conventional defense-industrial capacity, while also more fully integrating the creative, productive, and dual-use commercial capabilities of the broader economies of the United States and its allies. Attracting and scaling a larger number of more varied performers into this industrial network will enable the United States to accelerate growth, dramatically increase agility, and substantially enhance resiliency. By building a flexible industrial network more powerful than the sum of its individual parts, the United States will create a system capable of outperforming more authoritarian, centrally planned competitors such as China.

I am thankful for the focus this Committee is placing on this issue and the hard work underway through initiatives such as the FoRGED Act to enable substantive positive changes to our current approach. Recognizing that we have a systemic issue which cannot be fixed through incremental tweaks, I am optimistic a systematic focus on cutting red tape, creating competitive pressure, enabling decisive action, modernizing defense budgeting and unleashing American innovation will improve the readiness and lethality of the DoD while simultaneously growing the ability of the industrial network to deliver capability at scale and with speed. Equally critical, but often forgotten, will be the need to rapidly implement these measures across the department, train the workforce, and incentivize and measure their effective adoption. Doing so will ensure positive change is solidified, transforming the historically risk adverse culture into one focused on delivering speed, scale, and war winning outcomes.

Thank you for the opportunity to appear before you and I look forward to answering your questions.