

## Panel: DoD Should Cut 111,000 Civilian Jobs

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By John T. Bennett

An influential Pentagon advisory board will recommend that Defense Department Secretary Robert Gates slash the civilian work force by more than 111,000 people and drastically pare the military's combatant command structure as ways to save billions of dollars.

The Defense Business Board task force also will urge Gates to initiate a hiring freeze for the Office of Secretary of Defense (OSD), all Joint Staff directorates and all combatant commands. It also is calling for DoD to shut down OSD's Networks and Information Integration (NII) directorate and the contractor-heavy U.S. Joint Forces Command (JFCOM).

Those are some of the preliminary recommendations the task force unanimously approved July 22. The board expects to submit these initial findings to Gates soon in an informational memo, followed in October by a broader set of longer-term cost-cutting proposals.

The study group will advise Gates to either shrink the DoD civilian work force to 2003 levels or by 15 percent, whichever is greater. The greater reduction would be a 15 percent cut, which would amount to 111,508 personnel, based on the 743,388 employees DoD had in March, according to

the  
Office of Personnel Management's online database, Fedscope. DoD had  
654,287  
civilian employees in September 2003.

The task force also will advise Gates to eliminate organizational  
duplication and overlap across the department.

"Focus first in areas such as OSD and the Joint Staff in shared areas  
such  
as public affairs, legislative affairs and personnel oversights," Arnold  
Punaro, a DBB senior fellow who led the study, said during a July 22  
meeting. Within the Pentagon's legislative affairs shop, "there are  
hundreds  
of people," but the office's director, Elizabeth King, "can't find them  
all," said Punaro, a retired Marine Corps general and former senior SAIC  
executive. "And they sure don't work for her."

Punaro also said Gates should examine redundancies in similar  
organizations.

Two examples: the Joint Staff's force structure, resources and  
assessment  
directorates and the Cost Assessment and Program Evaluation; and the  
Joint  
Readiness Oversight Council and the office of the undersecretary of  
acquisition, technology and logistics.

Another proposal seeks to "seriously curtail all indirect spending" on  
things like duty station moves, travel and conferences. This  
recommendation  
also calls for Gates to scrap the so-called "use it or lose it" policy  
on  
such funds, which the board said promotes waste.

The JFCOM and NII closures are part of a broader recommendation that

will go

to the secretary soon to shrink the military's combatant commands, which the

board has concluded are swollen with thousands of expensive contractors

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many in redundant positions.

Gates asked the board to propose ways the department can slash \$101 billion

over five years from overhead and unneeded costs. Gates wants to transfer

those savings to weapons programs.

U.S. military spending for fiscal 2010 - including war funding - will approach \$661 billion. The task force estimates "at least \$200 billion - \$1

trillion across the [future years defense plan] - is overhead." If DoD's overhead were its own nation, it would rank 49th globally in total gross domestic product - just behind Singapore and Portugal, and just ahead of Israel and the United Arab Emirates.

The Defense Business Board has for about a year predicted major turbulence

for the Defense budget as several forces converge: federal deficit reduction

efforts, the economic slowdown, ever-escalating DoD health care and personnel costs, and the end of two wars. The board estimates the interest

Washington will pay on the federal debt will exceed the annual defense budget by 2017.

Board members believe that to avoid fiscal calamity, the Pentagon will have

to find savings beyond Gates' \$101 billion target.

The preliminary report the advisory board approved made it clear the Pentagon must get a range of personnel and organizational costs under control if it wants to avoid killing more major weapon programs.

"Many combatant commands are staff- and contractor-heavy and very expensive," the report said.

The task force found Joint Forces Command is made up of more contractors than DoD uniformed or civilian employees. The number of government workers is around 3,000, while hundreds more contractors work at its various subcommands.

A chart in the presentation shows 14 JFCOM subcommands and organizations.

"What the heck is all this stuff?" Punaro said.

'Contractor' commands

The DBB group found 10 commands are populated by almost 11,000 contracted workers:

\*Nearly 2,000 at U.S. Central Command, which has slightly more government employees.

\*About 1,500 at U.S. Transportation Command, which has around 1,000 government employees.

\*U.S. Pacific, Special Operations, European, African, Southern and Strategic commands employ significantly more government employees, though the

number  
of contracted workers at the Pacific and Strategic organizations tops  
1,000.

That comes with a \$16.5 billion price tag in fiscal 2010, DBB concluded.

"Are some of the combatant commands becoming 'contractor' commands?"  
asks  
one DBB study team chart.

The DBB study team urges Pentagon officials to find a way to track the  
number of contractors and their costs. It also proposes determining "how  
precisely many people the department has on the contractor payroll and  
assess their functions as core or non-core," Punaro said.