

BUY THE WAY WE FIGHT

Policies, Practices, and Partnerships for International Acquisitions

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SUMMARY

One of the United States' biggest strengths is its ability to work with other nations for common purpose. In both war and peace, America has a long history of building, contributing to, sustaining, and leading international coalitions.

America's military forces almost always deploy as part of an international coalition, tightly integrated with allies and partners. For example, when I deployed to Kabul in support of the International Security Assistance Force (ISAF) mission in 2011, I led a team of military officers from five different countries, with senior officers from four more countries in the chain of command above me. U.S. military personnel may have represented a major portion of ISAF, but the mission included troops from 42 nations working shoulder to shoulder.

America's security posture in the Pacific is similarly collaborative. American forces currently operate and strategize in close alignment with Japan, Australia, New Zealand, South Korea, and others (a recent RAND report describes these relationships as "astonishingly strong").

As President Biden said in a February 2021 speech, "America's alliances are our greatest asset." Virtually all previous presidents have made much the same point, with President Obama calling NATO a "lynchpin," President George W. Bush enthusiastically welcoming seven new NATO allies in 2004, and President Reagan saying "the strength of America's allies is vital to the United States."

Despite these close and important ties, the Department of Defense's (DoD's) acquisition workforce tends to have relatively little international contact. The program offices responsible for developing new systems generally do so in isolation from the very allies who would fight alongside American forces. "Train the way we fight" may be a guiding principle for military personnel, but "buy the way we fight" is not an established principle for defense acquisitions.

This must change.

CALL TO ACTION

This paper proposes the DoD take action in three main areas:

- 1. **POLICY** Update acquisition policy to provide clear and consistent guidance about the importance of international collaboration and what it means to "buy the way we fight."
- 2. **PARTNERSHIPS** Create forums for acquisition professionals to build connections with their peers around the world.
- 3. **PRACTICES** Establish new norms for international collaboration on defense acquisition efforts.

The remainder of this paper takes a closer look at each of these three actions.

POLICY

First, the good news. The Department of Defense's overarching policy on acquisition currently emphasizes the importance of international collaboration. DoD Directive 5000.01 (The Defense Acquisition System) "requires acquisition programs to deploy interoperable systems and plan for coalition partners." Paragraph 1.2.t from 5000.01 puts it this way:

1.2.t To enable allies and partners to enhance U.S. military capability, collaboration opportunities, potential partnerships, and international acquisition and exportability features and limitations will be considered in the early design and development phase of acquisition programs.

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DoD Instruction 5000.02 (Operation of the Adaptive Acquisition Framework) is similarly direct, requiring program managers to consider leveraging international acquisitions and taking steps to "enhance coalition partner capabilities" (paragraph 4.1.b(2)). The Major Capability Acquisition instruction (5000.85) echoes the higher guidance and requires program managers to integrate international acquisition and exportability planning.

Building on those policies, the Pentagon's <u>Guide</u> to <u>DoD International Acquisition and Exportability</u> (<u>IA&E) Practices</u> states that program managers "should consider international acquisition involvement to the maximum extent feasible...." (emphasis added).

These documents align well with Secretary of State Blinken's March 2021 speech to NATO in which he stated "... as the U.S. develops our capacities ... we'll make sure they remain compatible with our alliances—and that they contribute to strengthening our allies' security." Blinken further emphasized the point when he observed that "stronger allies make for stronger alliances."

On a similar note, Secretary of the Air Force Kendall put it this way at the 2022 Farnborough Air Show: "When we say one team, one fight—industry and our international partners are part of that team. As we work together to accelerate change, we want to tap into the intellectual capital and creativity industry brings to the table, and this includes our international partners. We must work together to modernize our capabilities."

Secretary of Defense Austin and NATO Secretary General Stoltenberg's comments from March 2024 added further support to this principle when they "noted the importance of strengthening the trans-Atlantic defense industrial base...."

Unfortunately, the guidance becomes less clear and consistent as we move deeper into acquisition policy, specifically the guidance documents for other pathways in the Adaptive Acquisition Framework (AAF). These provide uneven guidance when it comes to international cooperation and represent a significant opportunity for improvement.

The Middle Tier of Acquisition (MTA) pathway instruction (5000.80) substantially contradicts the higher-level policies when it "discourages programs with significant international partner involvement from using the MTA pathway." If international programs are discouraged from using the MTA pathway, it follows that any programs using MTA are discouraged from pursuing international partnerships. In addition to running counter to the higher-level policies and the commitments made by the President, Secretary of State, and Secretary of Defense, holding our allies at arm's length when it comes to rapid prototyping is also at odds with NATO's expressed interest in accelerating delivery of new capabilities by doing rapid prototyping.

While the MTA policy discourages international partnerships, the Software Acquisition Pathway instruction (5000.87) makes no reference to international partners at all. This is a startling omission in a world that is increasingly driven by software and where the technical and operational intersections between allied nations are more likely to involve 1s and 0s than nuts and bolts. Software is also the easiest type of technology to share with our allies, since it does not require shipping physical components around the world. Of all the acquisition pathways in the AAF, the Software Pathway should be the most emphatic in its encouragement of international cooperation.

As a first step, therefore, DoD policymakers should take immediate action to establish consistent and clear guidance across all the acquisition pathways. Both 5000.80 and 5000.87 should be updated to explicitly direct programs using the Middle Tier and Software pathways to plan for coalition partners and at least consider issues of international interoperability.

The language in higher-level policies should also provide more specific directions. Instead of simply "considering" international allies, 5000.01 and 5000.02 should be updated to *require* program offices to explore connections with the nations our armed forces serve alongside. Failing to make this connection increases the risk of deploying technical capabilities that are incompatible with or redundant to our allies' systems, ultimately reducing our national defense posture.

Implementing international acquisition involvement "to the maximum extent feasible" should not only be reflected in policy, it should also be demonstrated through the policy writing process itself. While the policy updates listed above *could* be done unilaterally, imagine how much better it would be if policy writers had a few conversations with our partners around the world and considered their perspectives and experiences as we update policies that directly affect them.

This approach is not about granting other nations a veto over American acquisition policy nor allowing them to dictate elements of acquisition programs. Rather, it is about ensuring America's allies are included in the conversation and their perspectives considered. This collaborative approach would better reflect the joint nature of military operations in the 21st century and the growing strength and importance of our alliances. This brings us to the second topic: partnerships.

PARTNERSHIPS

The DoD needs to design and implement acquisition strategies, programs, systems, and supply chains that take into consideration the needs, interests, limitations, priorities, and capabilities of our coalition partners. It's really hard to do any of that if we've never actually spoken to someone from another country, and so the DoD needs to take steps to encourage those conversations.

International acquisition plans are unlikely to be effective if they are produced independently from the coalition partners who will be affected by their outputs. Thus, the DoD should actively pursue and create opportunities for conversations and connections between American acquisition personnel and our allies and partners.

To put it clearly, every acquisition professional should have a direct professional connection and relationship with their international peers. The DoD needs to create forums that foster opportunities for conversations with international partners. This should not be limited to a few specialties or narrow Foreign Military Sales efforts. It should happen "to the maximum extent feasible," and include acquisition professionals at all levels, from across the DoD.

Fortunately, some forums already exist that are designed to build such connections. The NATO Science and Technology Organization fosters exchanges within NATO, and serves as an exemplar for international cooperation on military system development. Beyond NATO itself, the *Guide to DoD International Acquisition and Exportability Practices* observes "there are about 30 bilateral fora" that are intended to promote cooperative research and information exchange. Building on these groups and expanding opportunities for acquisition professionals to participate would be an easy first step.

Section 1-5.3 of the aforementioned Guide goes on to state that "program management should

pursue dialogue with potential partners. Such dialogue may be conducted through informal discussions" These "exploratory discussions" avoid making binding commitments and instead are focused on building a common understanding of mutual needs, capabilities, and opportunities. These discussions would foster precisely the type of perspectives and relationships that this paper calls for.

In addition to leveraging what already exists, the DoD should also create new channels. For example, in a public meeting with the Defense Innovation Board on 5 March 2024, representatives from the Defense Entrepreneurs Forum proposed creating a program that could serve as a model for further international collaboration. Called the Expeditionary Diplomatic Fellowship program, it aims "to create a training and cultural exchange program for junior officers, enlisted, and DoD civilians" to build informal networks and encourage greater understanding and collaboration. The acquisition community could craft a similar International Acquisition Fellowship program proposal.

Another example to consider comes from <u>Project Mercury</u>, which is described as "The Air and Space Forces' premier innovation initiative building transformative culture, competencies, and culture." The product of a collaboration between the Air Force and the <u>Innovatrium</u> consulting firm, Project Mercury recruits and trains cohorts of military innovators.

Project Mercury's Cohort 12 was the second full NATO team to graduate from the training program. This cohort is not only a real-world example of international connections and collaboration, its members also tackled the challenge of how to facilitate more interoperability within NATO and between allies. Participants pitched the creation of the NATO Open Innovation Conference and Exhibition (NOICE), an event designed to bring innovators from all nations together. This is precisely the sort of forum that should exist and which acquisition professionals should regularly attend.

It is important to reiterate that international contact should not be limited to designated "innovators" but instead should be a standard practice across the board, for all types of acquisition professionals—program managers, engineers, contracting officers, etc. These forums and fellowships should be open and available to as many participants as possible. Acquisition professionals who do not have international connections should be the exception, not the rule. This is an essential step to ensuring acquisition programs are "integrated by design," a goal repeatedly called for by the former Chief of Staff of the Air Force—now Chairman of the Joint Chiefs of Staff—Gen. C.Q. Brown.

PRACTICES

Policies and partnerships are only two legs of the stool—the third is concrete *practices*. That is, the DoD needs to adopt a set of specific activities, behaviors, and norms to translate policies into action and maintain effective partnerships.

The process of turning occasional and isolated practices into enduring and widespread norms within any community tends to follow a common pattern. As explained in the New America Foundation's <u>Graphic Guide to International Cyber Norms</u>, norms in any domain "move through a standard lifecycle. Understanding this pattern is key to effectively and strategically establishing new norms of international cooperation."

The lifecycle of a norm begins with documenting and describing the desired behaviors, then experimentally putting them into practice. The goal of this initial phase is not to *establish* norms but simply to explore a set of activities and behaviors to see if they produce desirable outcomes. This is an iterative process and requires thoughtful observation, discussion, openness, and patience.

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No norm description comes out of this *Emergence* phase unchanged. Instead, this is a prime opportunity for collaborative exploration and for the norm to evolve in response to direct contact with community members.

If we want to make international cooperation a normative behavior for defense acquisition professionals, this is the phase where we describe in some detail what such cooperation might look like ... and then begin to actually do it and collect data about the outcomes, updating our descriptions as we go.

The trilateral security partnership between Australia, the UK, and the U.S. known as <u>AUKUS</u> provides one such model. While AUKUS is primarily focused on helping Australia acquire submarines (PILLAR 1), it also enables partnerships on a wide range of other advanced capability developments (PILLAR 2). The engagements and partnerships happening under AUKUS (and the associated policies and forums) represent behaviors that could serve as a foundation for an emerging norm. Anyone seeking to establish a norm of international collaboration should be following the AUKUS experiment closely.

As the deputy head of mission at the Australian Embassy in the U.S. pointed out, AUKUS "is not about making it easier for Australia to buy US kit." Instead, it is a tri-directional partnership that aims much higher, building opportunities for greater coordination in what each country develops, buys, sells, and deploys. It expands our understanding of what is possible and helps all parties develop engagement strategies across borders and traditional boundaries. In other words, it allows all three nations to truly buy the way they fight—as allies. It does this by fostering discussions and collaborative partnerships around military technology capabilities.

If the AUKUS model spreads beyond that specific partnership, that would represent a transition to the norm *Cascade* phase. This is where a norm spreads from an *isolated* behavior and becomes widespread.

This could involve expanding AUKUS beyond the current members, a concept that is <u>already under discussion with countries including South Korea, Japan, New Zealand, and Canada</u>. It could also result in increased international cooperation beyond the AUKUS nations.

A certain amount of adjustments are inevitable during the *Cascade* phase, as behaviors are modified to accommodate a broader set of conditions. Propagation is not simply replication, and expanding a norm generally requires responding to changing conditions. The key principle is to use earlier models for illumination, not simply imitation.

In the final *Internalization* phase, the behavior simply becomes the standard way of doing business—an *established* norm. In this phase, every American acquisition professional would simply be expected to build and cultivate relationships with their peers around the world. They would create and attend events that bring international partners together. They would share information about requirements, capabilities, technologies, contracts, and the like.

This final phase does not happen overnight, and often requires thoughtful leadership and vision to lead to the full adoption of a new norm. The DoD can help accelerate this process by affirming its interest in establishing new norms of international cooperation, by updating its policies and procedures to provide clear direction, and by experimenting with the behaviors and norms that contribute to this practice.

BENEFITS

"Buy the way we fight" benefits the United States in several ways. Operationally, fielded systems are more likely to be well suited for coalition use if coalition perspectives were taken into account during their development—the aforementioned "integrated by design" concept.

This applies to everything from user interface design and requirement prioritization to training materials and maintenance plans. One of the lessons the United States learned from deploying the M142 High Mobility Artillery Rocket System (HIMARS) to Ukraine is that designing user interfaces that are intuitive makes it easier for troops from other countries to learn how to operate them quickly. This is more likely to happen when acquisition professionals are in conversation with their peers around the world.

In terms of technology, international connections create opportunities to "pool science and technology talent" and to look beyond our borders for new innovations. To be sure, the United States has a leading position when it comes to technology talent. But welcoming businesses from allied countries into the market means the DoD would gain access to a wider industrial base and would benefit from a greater degree of competition, and further solidifies positive relationships between countries. These are all important contributions to international peace, prosperity, and stability. It also sets an example that could lead to increased openness of foreign markets to American businesses.

This is not theory—it is what is currently happening with AUKUS. The FY24 National Defense Authorization Act "designates businesses performing under a U.S. contract in Australia and the United Kingdom as domestic sources for the purposes of Title III of the Defense Production Act of 1950." As the Australian Minister for Defence Industry Pat Conroy explained in a statement dated 18 December 2023,

"This is akin to building the principles of free trade into our defence collaboration"

This approach also saves the United States money. As the IA&E Guide explains, "a key goal of international acquisition is to reduce weapon system acquisition costs" But beyond the specific financial savings on individual programs, increasing international connections has strategic economic implications. As we are seeing in the acquisition response to the conflict in Ukraine, NATO is able to aggregate demand and harmonize requirements to collectively deliver meaningful capabilities faster and at less cost than if done by countries independently. Further, this ensures that industry receives "clear and predictable requirements, which helps the market understand exactly what Allies need and encourages industry to invest in long-term production capacity."

In the example of AUKUS, one of the benefits is to "streamline technological and industrial base collaboration ... and build new opportunities for United States investment in ... critical technologies" New opportunities for investment are enablers of strategic economic growth, even aside from military benefits.

In response to Russia's ongoing invasion of Ukraine, many European nations are significantly increasing their investments in military capabilities. The Finnish Defense Forces are stockpiling so much additional materiel that they are running out of warehouses and need to build more. Similarly, "the Baltic states have signed several joint procurement deals for key weapon systems," and a recent Defense News article observed, "there is a movement afoot to remake the European defense-industrial complex into a muscular deterrent in its own right ... The proposed European Defence Investment Programme could be as large as "€100 billion over a seven-year period." It would be a missed opportunity for the United States to simply watch all this activity from the sidelines.

Acquisition professionals should be deeply aware of and directly connected to these important investments. Their professional networks should include foreign military leaders who are setting requirements and managing budgets, as well as the foreign companies that develop and deliver materiel solutions in response. By building connections and maintaining situational awareness, they will be able to contribute to, shape, and benefit from these expanding opportunities.

RISK ASSESSMENT

Increasing international cooperation will undoubtedly introduce new risks into the defense ecosystem. Any new risks introduced by these new connections should be weighed against the larger picture that includes the operational risks of fielding systems that are not interoperable with our allies or might otherwise introduce friction or undermine the coalition missions our forces undertake.

The fact that international cooperation introduces some new risks should not be viewed as a definitive mark against it, because this approach also takes some sizeable risks off the table. Done thoughtfully, the net result should be an overall improvement to the risk profile.

The most obvious risk is about security. When American program managers talk about their work with colleagues from other nations, they may inadvertently expose data about classified capabilities. Alternatively, the allies with whom we share the data may fail to adequately protect it. Such data spills have significant implications—operationally, economically, and politically.

There are existing models and proven methods for mitigating this particular risk. One approach to consider is Five Eyes, in which Australia, Canada, New Zealand, the United Kingdom, and the United States share military intelligence. This ability of the Five Eyes nations to share—and protect—classified information among trusted allies demonstrates that such partnerships are possible. A similar set of structures and rules could be put into place for international cooperation on acquisitions.

On the technical side of things, one risk acquisition professionals need to address is the "designed by committee" error. This refers to situations where groups of people make design compromises that decrease system performance, delay delivery, and increase costs—to name just a few negative results. When programs lack a unifying vision and make excessive accommodations to divergent interests, the result is a dilution of effectiveness and banal results. The key to addressing this risk is to build thoughtful collaboration and partnerships around a common operational and technical vision. Recall the earlier mention of "exploratory discussions," in which participants do not make binding commitments nor are foreign partners granted veto power over designs.

While there is much concern about economic espionage and how to protect intellectual property (IP), building international relationships is likely to reduce IP theft by removing previous barriers and creating legitimate pathways for collaboration. The motivation to steal or copy American capabilities is diminished when the opportunity exists to purchase it. That motivation is even further reduced when international partners are able to directly contribute to the work. For example, the United States is currently working to make AUKUS partners exempt from International Traffic in Arms Regulations restrictions. The Australian Government has already provided a reciprocal exemption. The result of these partnerships will be more protections for intellectual property, not less.

CONCLUSION

One of the United States' greatest strengths in this age of Great Power Competition is its ability to collaborate with other nations for a common purpose. Yet, this strength is not fully leveraged in our defense acquisition practices. To truly "buy the way we fight," we must foster international collaboration in our acquisition efforts, aligning our technology development efforts with our operational approach, and building partnerships and practices around international cooperation.

The path forward involves three key steps: Updating acquisition policy to underscore the importance of international collaboration, cultivating partnerships through forums that connect acquisition professionals globally, and establishing norms that encourage international cooperation in defense acquisition. This approach not only aligns our acquisition practices with our operational reality but also brings a host of benefits.

By incorporating international perspectives in the development of our defense systems, we can ensure the systems we acquire are well suited for coalition use. This approach also opens up opportunities for technological innovation, broadens our industrial base, and sets an example that could open foreign markets to American businesses. Moreover, it leads to cost savings, not just on individual programs, but also strategically, by enabling us to aggregate demand and harmonize requirements.

While this approach introduces new risks, such as potential security concerns and the risk of diluting effectiveness through unwise design compromises, these can be mitigated with careful planning and execution. More important, these risks are outweighed by the operational risks of fielding systems that are not interoperable or might undermine coalition missions.

The United States needs to align our defense acquisition practices with our operational approach, fostering international collaboration to truly "buy the way we fight." This is not just a strategic necessity, but also a strategic opportunity to strengthen our defense posture, foster innovation, and promote international peace, prosperity, and stability.

About the Author

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