

Prepared Statement of
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Acting Co-Chair and Commissioner
Commission on Wartime Contracting in Iraq and Afghanistan
Hearing:
“LOGCAP: Support-Contract Challenges in Iraq and Afghanistan”
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I am pleased to join in this review of the Logistics Civil Augmentation Program (LOGCAP), which provides or augments combat support and combat service support to America’s warfighters.

Since 1992, LOGCAP contracts with private vendors have supported global military contingencies, and can also support domestic events such as response to natural disasters. Today, however, we focus on LOGCAP’s role in Iraq and Afghanistan. That focus involves many questions:

- How did we get to the point that so much of the support to the force is contracted out?
- How is LOGCAP performing?
- What impact does it have on core military functions?
- What oversight is being exercised?
- What are some of the challenges of transitioning from LOGCAP III to LOGCAP IV?
- And, what is the future organization and structure of LOGCAP?

These are just a few of the many areas that this Commission needs to better understand.

As all here know, beginning in the 1980’s the overall force structure of the military services began to decline. This was particularly evident in “tooth-to-tail” ratios.

Contractors took over the functions of many military combat support and combat-service support units. Following closely on the heels of this shift in support, the federal government was opening up for competition work traditionally performed by federal employees. Complicating matters during this period, hiring by the Departments of Defense and of State, including USAID, often didn't keep pace with normal attrition, much less expand to meet increased operational needs.

At the same time when government was increasing its reliance on contractors and overall procurement budgets were growing significantly, the acquisition workforce—the people charged with contract management and oversight—was declining. The result was, and too often remains, inadequate management and oversight of contracting and contractors.

Thus, we have at least two manpower-related issues: One, not enough organic, in-house capability to do the job, and two, not enough personnel with the right skills to provide contract management and program oversight. Fast forward to Iraq and Afghanistan, where during the rapid build-up of forces, commanders needed and often demanded quick response to operational requirements. The rush to provide support across many areas was a natural response to urgent demands. But it often led to higher costs and lower quality because the contracting and program-management structure was ill-prepared to support the weight and pace of the expansion.

Private-sector contractors in Iraq and Afghanistan have assumed many of the logistics and life-support functions that military units performed in earlier wars—supply and transportation, food services, laundry facilities, maintenance, construction, power generation, even base security. The list goes on and on.

Overall, contractors have provided excellent support for our military in their contingency operations. But there is clear evidence that many mistakes have been made, and billions of dollars lost to waste, fraud, and abuse – by government employees as well as contractor employees. One of our tasks is to minimize repeating

errors and incurring more losses as we transition from LOGCAP III to LOGCAP IV, and as the focus of combat operations shifts from Iraq to Afghanistan.

As additional competition is introduced and as other contractors become involved, it is vital that we learn from earlier missteps. As we review overall LOGCAP performance, we will continue to look for instances of waste and certainly individual wrongdoing. We will review staffing levels, to include “management creep” as well as proactive efforts by contractors to generate significant savings. It will also be important to understand each company’s contracting philosophy, including use of local subcontractors.

We will need to deal with how approved LOGCAP projects and/or partially completed projects and transfer of property will be addressed—particularly as Iraq draws down and the mission in Afghanistan grows. Without careful planning and improved government oversight, we face the risk of massive waste and loss of property that American taxpayers have paid for and that our military needs.

Throughout our review, it will be imperative that we avoid inflammatory or partisan finger-pointing, but rather draw from the Commission’s research as well as the fine work done by the Special Inspector General for Iraq Reconstruction, the Gansler Commission, the various departmental Inspectors General, and others.

None of what we face lends itself to easy answers or simple solutions, but that’s why we are here—to learn more and ultimately arrive at logical and executable recommendations. I look forward to a productive hearing.

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