



Highlights of [GAO-10-67](#), a report to Subcommittee on Air and Land Forces, Committee on Armed Services, House of Representatives

## Why GAO Did This Study

DOD used nearly 700 aircraft, as well as commercial and leased aircraft, to carry about 3 million troops and 800,000 tons of cargo in support of wartime, peacetime, and humanitarian efforts in 2008. C-5s and C-17s move troops and cargo internationally (strategic airlift) and C-130s are the primary aircraft that moves them within a theater of operation (tactical airlift). Over the next 4 years, DOD plans to spend about \$12 billion to modernize and procure airlifters and is currently studying how many it needs.

GAO was asked to (1) identify the status of DOD's modernization and acquisition efforts and (2) determine how well DOD is addressing any capability gaps and redundancies. In conducting this work, GAO identified the cost, schedule, and performance of airlift programs, as well as DOD's plan for addressing gaps and redundancies. GAO also discussed mobility study efforts with DOD, Institute for Defense Analysis (IDA), and RAND officials.

## What GAO Recommends

GAO recommends, among other things, that DOD broaden the scope of its portfolio discussions, determine if additional C-17s are needed, and determine how Army direct support requirements will be met. DOD partially concurred with the recommendations, citing they have ongoing plans or processes to address the issues raised. As discussed in the report, GAO believes DOD needs to take additional steps to fully respond to the recommendations.

View [GAO-10-67](#) or [key components](#). For more information, contact Michael J. Sullivan (202) 512-4841 or [sullivanm@gao.gov](mailto:sullivanm@gao.gov).

## DEFENSE ACQUISITIONS

### Strategic Airlift Gap Has Been Addressed, but Tactical Airlift Plans Are Evolving as Key Issues Have Not Been Resolved

#### What GAO Found

DOD has recently revamped airlift investments due to modernization cost increases and requirement changes. For strategic airlift, the number of C-5s that will be fully modernized were cut in half because of substantial reengining cost increases and C-17 quantities were increased from 180 to 213 aircraft. These twin changes resulted in a net cost increase of about \$3 billion. Additional costs and force structure changes are possible pending decisions on C-5 retirements, other modifications, the potential need for more C-17s to meet tactical airlift needs, and the planned shutdown of C-17 production. For tactical airlift, substantial cost increases for modernizing C-130 avionics tripled unit costs, delayed its schedule, and resulted in almost 60 percent fewer aircraft being modernized. There have been large increases in the C-130J quantity to replace older C-130s, but modest increases in unit costs. The joint Army-Air Force C-27J program was recently transferred to the Air Force and quantities were cut from 78 to 38 aircraft, with an uncertain effect on the Army's airlift missions. The Army and Air Force must also resolve fundamental differences in operating requirements and employment strategy for the Joint Future Theater Lift (JFTL).

DOD appears to have addressed its strategic airlift gap, but there is a potential future tactical airlift gap for moving medium weight equipment. Also, questions regarding how the Air Force will meet the Army's direct support mission have not been resolved. DOD is using \$5.5 billion appropriated by Congress to procure 23 additional C-17s, which DOD officials believe more than offsets the strategic airlift gap associated with the restructured C-5 modernization program. However, there is a potential gap in the tactical airlift of medium weight loads beyond the capability of the C-130s. The C-17 is the only aircraft capable of moving this type of Army equipment within a theater of operation, although not to austere, short, or unimproved landing areas. The JFTL is envisioned to provide this capability, but will not be available for 15 years or more under the current acquisition strategy. While the various mobility studies acknowledge the C-17's significant dual role, they did not comprehensively evaluate the expanded use of the C-17 to transport medium weight equipment in theater and how this could impact the force structure, the C-17's service life, and decisions related to when to shut down the production line. In addition, questions remain about the number of C-130s and C-27Js needed to fulfill Army direct support missions. Two studies reached somewhat different conclusions about the cost effectiveness of using C-130Js and C-27Js for this mission. The Air Force and Army have not completed a plan for meeting Army direct support requirements, which could affect future decisions on both the C-27J and the C-130J. DOD's recently established portfolio management structure is supposed to provide a useful forum to address the broad range of airlift investment decisions. However, efforts so far have primarily focused on new programs rather than addressing gaps and making other airlift decisions such as when and how many C-5s to retire or the appropriate mix of C-130s and C-27Js needed to perform Army missions.