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Position Paper

CONTINUE C-17 PRODUCTION

Position: Continuing to produce C-17 Globemaster III aircraft is more than just purchasing airframes, it provides pivotal strategic airlift for emerging requirements and maintains the industry base of the United States.

The Reserve Officers Association (ROA) thinks any action that closes the C-17 line is premature, due to concerns about military airlift capability, and the U.S. industrial base. ROA's position to keep the C-17 line open is based on fiscal responsibility when one weighs the current costs of keeping the line open against the very relevant risks in having to reopen the line at considerable future cost.

Background: Currently the C-17 production line is the U.S.'s only wide-body military manufacturing site. The Defense Department estimates that it will need 32.7 million ton-miles of airlift a day and claims it can airlift 35.9 million ton-miles a day, in a worse case scenario. Yet, the estimating figures in the Mobility Capabilities Requirements Study (MCRS) 2016 were the same as used in 2005 for the last major mobility study. Things have changed since 2005.

The state adjutant generals have expressed an unfunded requirement for a minimum of five additional C-17s to stabilize their airlift needs for the ANG's humanitarian and disaster relief missions.

The FY-2011 presidential budget revealed that the Pentagon plans to retire 22 of the Reserve Component C-5As, 12 from the Air National Guard (ANG), and replace them with only 16 C-17s (8 in the ANG). The Air Force is on public record rejecting the concept of C-5A conversion, focusing its modernization efforts on the C-5Bs in the regular component.

A decision to retain production of the C-17 requires five additional aircraft to keep this important production line open at a cost of \$1.3 billion. India has already decided to purchase (10) C-17s, five in FY-2011 through foreign military sales. An additional five C-17s, validated by the ANG requirement, purchased by the United States would allow the line to remain open into FY-2012. Other countries have shown interest in foreign military sales as follow-up once the economy has improved.

If the production line was shut down and it was determined at a later date that the U.S. airlift capacity were insufficient, it will cost the government at least \$5.7 billion to restart the C-17 production line with a two year advance notice. With closure, it is unlikely that



Boeing would keep the property in Long Beach, and tooling would be lost unless it was purchased by the Air Force

Discussion: Given the uncertainties of the Air Force's plan to modernize or retire its oldest C-5As, continued funding for the C-17 program will be necessary to keep the only remaining strategic airlift aircraft production line open.

There are a number of advocates who claim MCRS 2016 was written with a budgetary end-state in mind, and still others who debate the study's basic assumptions. The DoD risk assessment has not been fully thought through and focuses only on today's fight versus tomorrow's needs. Things have changed since 2005 when the calculations dictating today's airlift estimates were established.

The new study did not take into account further increases in mobility asset use, or the drastic changes in today's contingency environment. True demand for C-17s is in fact very hard to quantify because C-17s are used for so many types of missions. Future drivers of airlift include the continuing overseas contingency operations, sustainment of deployed forces, homeland security support, world-wide humanitarian relief efforts, return of forces from forward deployed locations to CONUS, and the planned increases of total personnel for the Army and the Marine Corps.

The Council on Foreign Relations, Central Intelligence Agency, and Strategic Studies Institute of the U.S. Army War College all indicate increased use of mobility assets for responses to global disasters and the impact of failing states. Unlike air missions that have other alternatives, such as strike capabilities, strategic mobility can only be achieved by airlift or when appropriate sealift.

Despite the Department of Defense's opinion that the industrial base has the ability to react to any future strategic lift needs, the extreme cost and delay necessary to reopen the C-17 line if closed now and subsequently needed later speaks otherwise. Once closed, these facilities and their talented workforce will disperse and disappear. Additionally, given it has taken a decade to get an off-the-shelf tanker to the point of a viable bid today, the future of vital airlift will be compromised if left to this risky option. With the planned retirement of C-17s beginning in only 10 years and no follow-on replacement for any future airlift yet conceptualized, it is ill-advised to shut the C-17 line down today.

The Department of Defense is not advocating a necessary bridge for expanded airlift needs by keeping the C-17 line open until some of the Congressional scrutinized C-5As are allowed to retire with enough of the rest to be modernized.

The Reserve Officers Association is the 63,000-member professional association for all uniformed services of the United States. Chartered by Congress and in existence since 1922, ROA advises and educates the Congress, the President, and the American people on national security, with unique expertise on issues that affect the 1.5 million men and women now serving in America's Reserve Components.