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Improving the DoW's Ability to Leverage Allied and Partner Capabilities for Burden Sharing

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Abstract

The transition of DSCA and DTSA to OSW A&S is intended to address long-standing concerns that the FMS/DCS system is bloated and sluggish, often delivering defense products to partners and allies far too slowly. The transition is expected to support FMS and DCS reform by linking these processes, systems, and personnel more directly to DOW acquisition strategy. Keeping in mind that Security Cooperation is more than defense sales introduces the prospect of reaping additional benefits from this transition, pertaining to increasing burden sharing with key partners and allies and building more resilient supply chains that include allied and partner investments. This paper will identify and unpack opportunities that might otherwise be overlooked. For example, bringing together FMS/DCS Title 22 activities and international armaments cooperation under Title 10 (to include co-design/development/production/sustainment) could generate cases (that is, product transfer to allies and partners) that share aspects of both sales and R&D. The new FMS/DCS system could be designed to better enable this kind of hybrid case as well as other new ways to simultaneously meet US and allied needs in support of the warfighter. There are already a few examples of such hybrid cases, which this paper will analyze to generate potential lessons. Taking a step further, the new FMS/DCS system could also identify avenues to import innovative capabilities from allies and partners in a way that directly supports the DIBs of both the US and its allies and partners. The paper will integrate insights from a recent RAND publication on Exploring the "Optimal Pathway" to AUKUS Pillar II Success, which has specific lessons and best practices that can inform these changes.

Objectives and Purpose

The paper will present and begin to unpack opportunities for working in new and innovative ways with key allies and partners that are linked to the recent changes per the new Acquisition Transformation Strategy (ATS; Office of the Under Secretary of Defense for Acquisition and Sustainment, 2025), including ways to build resilience in U.S. supply chains (Executive Order No. 14017, 2021) and opportunities for importing innovative ideas, technologies, and capabilities from key allies. It will also point to ways to operationalize burden sharing that drive Foreign Military Sales (FMS) and cooperative development opportunities that enable allies and partners to contribute directly to broader resilience and deterrence national security objectives.

The objective of this short paper and presentation is to, first, present a collection of tangible options to further burden sharing with allies, drawing upon completed RAND research and ideas flowing from the results of those research projects that could fit within the new ATS. The second objective is to solicit feedback from acquisition and security cooperation experts on these ideas to highlight the best options, which could be further studied.

The paper begins with a statement of the problem and background relevant to the problem to set the context. The background draws on RAND's research that relates to trends we are seeing in the way allies and partners desire to work with the U.S. and how this is relevant to the new ATS, as implementation is evolving. Then, the paper briefly identifies six options that are meant to help inform the implementation of the ATS. Each option is presented with a short set of researchable questions.

Problem Statement

Persistent misalignment between acquisition and security cooperation systems, driven by institutional, statutory, and procedural barriers, has limited the United States' ability to deliver capabilities to allies and partners at the speed and scale required to sustain deterrence and resilience in an era of strategic competition. While the United States has long collaborated with allies and partners on capability development, these efforts have not been systematically integrated into acquisition strategy or optimized for speed, scalability, and industrial resilience (Executive Order No. 14017, 2021). Despite repeated reform initiatives, coordination between acquisition and security cooperation systems has been hindered by structural, statutory, and cultural barriers. Separate legal authorities under Title 10 and Title 22 divide responsibility between the Department of War (DoW) and Department of State (DoS), creating parallel processes with distinct oversight, funding streams, and priorities (Sargent, 2023). DoW acquisition programs are planned through multiyear budget cycles focused on U.S. force requirements, while FMS cases are reactive to partner demand and subject to DoS review (GAO, 2023a). These misaligned timelines and authorities have made it difficult to synchronize production, co-development, or sustainment with allies, undermining the ability to build collective capacity and maintain deterrence.

Institutionally, acquisition and security cooperation communities operate with different professional cultures and information systems. Acquisition personnel are trained in contracting and program management, whereas security cooperation professionals focus on diplomacy, partner engagement, and export control (RAND Corporation, 2019). Limited cross-training and incompatible data systems have reinforced stovepipes, producing redundant reviews and inconsistent demand forecasting (GAO, 2020). As a result, even when the DoW and DoS share strategic objectives, they lack the mechanisms to jointly plan, fund, and execute programs that incorporate allied participation from the outset. These systemic barriers, not lack of intent, explain why past integration efforts have yielded limited results (GAO, 2021).

U.S. planning and acquisition processes have often defaulted to a model in which the United States leads innovation, and partners primarily consume capabilities through FMS or other transfer mechanisms. While many U.S. programs have followed a supplier–consumer model, notable exceptions, including the F-35 Joint Strike Fighter program, demonstrate that co-development and deeper integration is possible but remain the exception rather than the norm (Gertler, 2020). Although this approach has delivered interoperable capabilities, it is increasingly misaligned with the requirements of operating in a competitive strategic environment, where deterrence, resilience, and burden sharing are essential to sustaining advantage (Defense Security Cooperation Agency, 2023; DoW, 2026a).

Alternative ways of thinking about allied contributions to U.S. and coalition warfighter capabilities are essential. Allies and partners are no longer solely capability recipients—they are increasingly sources of innovation, niche industrial capacity, and operational expertise (Saum-Manning et al., 2022). Many are investing in sovereign capabilities, diversifying supply chains, and seeking reciprocal relationships that include co-development and co-sustainment. Simultaneously, global demand for defense systems, particularly space capabilities and advanced technologies, continues to outpace U.S. production capacity, highlighting structural limitations in the current acquisition and security cooperation enterprise that constrain the nation's ability to sustain deterrence and technological advantage (DoD, 2023; GAO, 2023b).

Recent reforms, including the new ATS and the realignment of DSCA and DTSA under the Office of the Under Secretary of War for Acquisition and Sustainment (OUSW[A&S]), present important opportunities to address these challenges (DoW, 2026b). These changes signal a recognition that security cooperation, technology security, and acquisition must be more tightly integrated to meet emerging operational demands. Bringing FMS and direct commercial

sales (DCS) processes into closer alignment with DoW acquisition and allied R&D frameworks is an important step, but how this integration is implemented—particularly in terms of how authorities are delegated, how interagency coordination is managed, and whether new processes avoid duplicating existing ones—will determine whether the intent behind the ATS is realized. Additionally, any integration effort must preserve the essential checks and balances that Titles 10 and 22 were designed to maintain, ensuring that efficiency gains do not compromise policy oversight or technology security.

Policy Alignment

These challenges and opportunities emerge within a policy environment that strongly supports acquisition transformation, allied burden sharing, and industrial resilience. Recent strategies, executive orders, and congressional actions collectively underscore the need to align acquisition, security cooperation, and technology–security functions to sustain deterrence and resilience in an era of strategic competition.

Recent executive orders and the Presidential Memorandum on the National Defense Industrial Strategy (DoD, 2024) direct and operationalize the current policy foundation for defense industrial and supply chain resilience. Executive Order No. 14017 (2021) specifically directed a whole of government effort to expand domestic and allied production capacity while Executive Order No. 13806 (2017) created the Defense Industrial Base Council and modernized technology release processes.

At the congressional level, the House Foreign Affairs Committee (HFAC) has held hearings and issued statements emphasizing the need for faster, more transparent FMS processes and greater allied burden sharing, echoing executive branch priorities and providing legislative momentum for reform. Additionally, recent discussions in congressional hearings have highlighted the potential elevation of the Deputy Assistant Secretary of War for International Cooperation to an Assistant Secretary–level position to strengthen allied co-development leadership (House Foreign Affairs Committee, 2023).

Within the DoW, the ATS and the 2024 Defense Industrial Base Strategy directly advance priorities outlined in the 2026 National Defense Strategy (NDS), which defines deterrence, resilience, and allied burden sharing as core U.S. advantages. Together, these policies provide the strategic and institutional foundation for the options and implementation pathways examined in this paper.

Background and Context

The transition of DSCA and DTSA under the OUSW(A&S) marks a significant structural reform intended to address long-standing concerns that the FMS system is overly complex and slow. By aligning security cooperation and technology security functions more closely with acquisition authorities, this reform creates an opportunity to synchronize requirements, acquisition processes, and partner demand signals. The realignment, announced in December 2022, reflects a recognition that acquisition, technology security, and security cooperation must operate as mutually reinforcing elements of a single enterprise to sustain deterrence and resilience.

Recognizing that Security Cooperation encompasses more than defense sales introduces the prospect of additional benefits from this transition, such as increasing burden sharing with key partners and allies, building more resilient supply chains that include allied and partner investments, and leveraging partner R&D in niche areas to address known capability gaps and expand industrial capacity. If effectively implemented, these changes could enable a

shift from a transactional model of security cooperation toward a more integrated approach that supports shared capability development, industrial resilience, and collective deterrence.

This short paper identifies and unpacks several opportunities, some of which might otherwise be overlooked, to operationalize these reforms. It integrates insights from recent RAND publications focused on FMS reform (Saum-Manning, 2025), allied and partner sovereign capabilities, third country suppliers, and the AUKUS partnership (U.S. President et al., 2021), which all offer lessons and best practices that can inform implementation of the ATS and related initiatives.

Responding to Allied and Partner High-Level Trends

A RAND research project conducted in 2023, *Insights on U.S. Ally and Partner Views of Strategic Competition: Implications for the Department of the Air Force,* explored how allies and partners prefer to engage with the United States in security cooperation. The study identified two notable shifts from prior decades: first, a growing emphasis on developing sovereign capabilities and, in some cases, a preference for *minilateral collaboration*, particularly around technology cooperation, to achieve mutual objectives more efficiently.

Although the pursuit of *sovereign capabilities* is not new, many countries have become more explicit in articulating how they intend to collaborate with foreign partners. This includes revising national defense strategies and procurement policies to balance domestic production, acquire U.S. systems, and purchase from other suppliers. For this analysis, sovereign capability is defined *as the ability to control the development, production, sustainment, or employment of a nation's defense assets*. RAND's research found that both pragmatic and ideological factors drive this pursuit—some nations seek to meet unique operational requirements or improve supply chain reliability, while others aim to enhance affordability and generate economic benefit (Executive Order No. 14017, 2021). Defense industrial base (DIB) considerations often factor heavily into a country's sovereign capability motivations.

Political pronouncements, strategic reviews, and defense white papers reveal that the eight countries examined in this study generally follow one or more of three approaches:

1. Develop broad sovereignty, seeking to become fully or largely self-sufficient (Brazil, France, India, Turkey)
2. Maintain sovereign capability in specialized or core areas while engaging internationally in other areas (Australia, France, South Africa, Sweden, Thailand)
3. Use diverse suppliers for defense assets to reduce dependence on any single country or system and preserve strategic autonomy (Thailand, Turkey).

We continue to see this trend evolve. In February 2026, Canadian Prime Minister Mark Carney announced Canada's new "Buy Canadian" defense strategy, which aims to reduce Canada's dependency on the United States while revitalizing an otherwise most dormant DIB (Government of Canada, 2026). He plans to add 25,000 new jobs in the defense sector in the next decade. The long-awaited strategy commits to deepen partnerships with Europe and key Indo–Pacific allies in response to Trump's aggressive security and trade posture. He was careful to defend the NORAD relationship with the United States (Blanchfield, 2024).

The growing emphasis on sovereign capability provides essential context for the options presented in the following section. As the DoW implements the new ATS, it should aim not only to streamline processes but also to ensure that acquisition and security cooperation frameworks effectively incorporate allied capabilities, align with partner incentives, and support shared strategic objectives.

The convergence of these institutional reforms and allied trends underscores both the urgency and opportunity for the DoW to rethink how it engages partners across the acquisition and security cooperation enterprise. The following section builds on this momentum by identifying specific options for creating more flexible pathways that link FMS, DCS, and international armaments cooperation while protecting America's technical edge. Each option is designed to translate the policy intent of the ATS into practical mechanisms that enhance allied participation, strengthen industrial resilience, and sustain collective deterrence.

Creating Flexible Pathways: Options for Consideration Moving Forward

This section identifies six options for DoW consideration. While these options were developed using completed RAND research, these options have not been analytically evaluated for sufficiency or effectiveness. As such, each option concludes by identifying areas for further research.

Creating Options for Working with Allies: Mixing FMS and International Armaments Cooperation Deliberately

With the realignment of DSCA under OUSW(A&S), the two authorities and funding streams of Title 22 (FMS) and Title 10 (International Armaments Cooperation) now fall under a single oversight structure. This alignment enables the DoW to better coordinate funding timelines, contracting mechanisms, and technology release decisions that were previously managed through separate channels. By integrating these processes, the DoW can design hybrid pathways that allow partners to participate in early stage R&D, contribute to co-production or co-sustainment, and procure end items within a single program format. Such models would expand the industrial base, thereby supporting U.S. allies and forces, while also advancing NDS 2026 objectives of deterrence, resilience, and allied burden sharing. This hybrid approach moves away from the historic approach that treated these mechanisms as mutually exclusive.

A useful reference point is the F-35 Lighting II Joint Strike Fighter program, which blends cooperative development among core partners with FMS cases for additional participants. While not structured as a hybrid case, the program demonstrates how varying levels of partner participation, ranging from co-development and industrial contribution to traditional procurement, can coexist within a single capability ecosystem. The F-35 program also demonstrates how allied participant serves as a way to scale the cost of developing and producing these aircraft, thereby creating an affordable way for partners to contribute to or acquire an advanced capability while also bolstering the U.S. industrial base (Congressional Research Service, 2026).

Building on this precedent, the Department could explore more intentional hybrid case constructs in which allies and partners are offered structured options to

- participate in early stage R&D or prototyping efforts (Title 10)
- contribute to co-production or component manufacturing
- procure end items or additional quantities through FMS (Title 22)

This approach would better align with partner preferences for sovereign capability development while also expanding the industrial base supporting US and allied force requirements. Hybrid approaches could also improve demand signaling, increased production scale, shared development costs, and more resilient supply chains. However, challenges relating to legal authorities, funding streams, program management, and oversight, particularly with regard to congressional notification and DoS review, raise questions about how hybrid constructs would be structured and governed in practice.

Key Questions for Further Research

- What are the risks for encouraging hybrid cases? Are there any efficiencies to be gained, or would this muddy the authorities' pool in a way that is unhelpful?
- What new administrative processes or arrangements might have to happen to enable this?
- What oversight mechanisms at the DoS and DoW are needed?

Multinational FMS for Europe and Beyond

The 2026 NDS emphasizes the importance of reviving U.S. industry and mandates that allies assume primary responsibility for conventional defense in their respective regions. However, the U.S. security cooperation enterprise remains optimized for bilateral transactions. The U.S. DIB currently receives low-volume signals from dozens of individual partners rather than consolidated demand signals. Without a mechanism to aggregate requirements, manufacturers cannot achieve the economies of scale necessary to "supercharge" production capacity as directed by NDS Line of Effort 4.

To be sure, NATO is already doing some multinational FMS on a small scale to try and meet its most recent set of capability targets. However, many NATO allies face significant shortfalls in their purchasing power; and while almost all allies have committed to increased defense spending, their individual budgets remain insufficient to procure high-end, critical capabilities (e.g., integrated air and missile defense, long-range fires) at the scale required (NATO, 2023). Furthermore, the stovepiped nature of procurement efforts—rather than multinational, multiyear procurements—leads to a heterogeneous force structure that is difficult to sustain and lacks true interoperability. Despite initiatives like NATO's Defense Production Action Plan (DPAP), allies are still pursuing unilateral solutions more frequently than multinational procurements (NATO, 2026). This fragmentation risks leaving critical requirements—such as the significant interest in counter-UAS and loitering munitions identified in the 2025 REPEAD cycle—unaddressed. The U.S. FMS system is often perceived as a barrier to, rather than an enabler of, such multinational collaboration.

In the Indo–Pacific theater, the absence of a formal alliance procurement infrastructure, comparable to NATO's Support and Procurement Agency, continues to reinforce reliance on bilateral U.S. support. This dynamic places the United States in a position where it must often assume the principal burden of equipping partners during crises. Managing hundreds of discrete FMS cases without clear prioritization or administrative streamlining consumes significant bandwidth within OUSW(A&S), diverting attention from high-priority modernization efforts in both the European and Indo–Pacific regions. Persistent supply constraints and extended delivery timelines for key systems—such as Patriot air-defense units and loitering munitions—further erode deterrence and sustain dependence on U.S. stockpiles. Additional research is warranted to identify mechanisms that could improve regional coordination, accelerate delivery, and strengthen collective resilience.

Key Questions for Further Research

- Are there opportunities for economies of scale for multinational FMS that would directly benefit the United States? To what extent could a multinational FMS model measurably reduce administrative lead times and unit costs particularly for high-demand munitions and non–program of record (NPOR) systems?
- Could multinational FMS serve as a conduit to co-development and co-production opportunities to further enhance burden sharing opportunities?

- How can multinational FMS facilitate burden-shifting in the Indo–Pacific where formal alliance structures like NATO are absent?
- What are the primary barriers (e.g., regulatory and timeline issues) preventing the widespread adoption of multinational FMS for co-production and co-development efforts?

Expanding Trusted Partnerships Models to Key Allies

For the purposes of this analysis, trusted partnerships refer to structured, institutionalized arrangements that enable select allies to participate across multiple phases of the acquisition lifecycle. AUKUS represents a significant test case in operationalizing high-trust defense cooperation. The partnership between Australia, the United Kingdom, and the United States demonstrates that when partners share aligned strategic objectives and robust technology protection frameworks, barriers to co-development of the most sensitive technologies (e.g., nuclear-powered submarines, quantum technologies, undersea warfare capabilities, and artificial intelligence) can be reduced through tailored governance and shared risk mechanisms.

However, the initiative also underscores the complexity of sustaining such an arrangement as it requires dedicated resources, clear decision-making structures, and consistent industry engagement (Moroney, 2022). Despite these ongoing issues, AUKUS has become the beacon for technological minilateralism, helping drive meaningful reforms to ITAR, and can provide many lessons for what to do and what not to do when it comes to trusted partnerships among the United States and its key allies. Expanding this model to other domains, such as space, would advance the NDS 2026 objectives of deterrence and resilience by accelerating capability integration and diversifying allied industrial participation. The DoW and DAF could examine how domestic-preference policies, export controls, and security cooperation objectives intersect in the space sector to inform future decisions on co-production/sustainment of nonsensitive components. Incremental steps for vetted partners to contribute could expand production throughput and stabilize supply chains while maintaining technology protection.

Key Questions for Further Research

- What criteria are helpful to determine whether an ally should be in a “trusted partnership” with the United States? Preliminary criteria could include alignment of strategic objectives, ability to protect sensitive technologies, etc.
- What lessons and best practices can be learned from AUKUS pillar 2 that can be used to inform the creation of new minilateral trusted partnerships?
- Should the DoW look only at capable space allies, or wider, assuming a low level of sensitivity with regards to the hardware and software in question?
- Should the DoW consider a “pilot” trusted partnership construct in space, or other high priority capability areas to assess feasibility and scalability?

Alternative Options to FMS: How and When Could DCS Provide Greater Efficiencies?

As the DoW modernizes security cooperation, a key question is not whether to replace FMS but how to optimize the mix of FMS and DCS (where allies and partners go direct to U.S. companies for their defense procurements rather than via the DoW) pathways based on capability type, partner needs, and timelines. Because DCS allows direct contracting between foreign customers and U.S. firms, it can shorten administrative timelines and leverage commercial production lines already operating at scale. In the space sector, where allied demand has surged and commercial innovation is robust, DCS could possibly provide faster access to dual-use technologies. However, the absence of a centralized DCS reporting

mechanism limits the DoW's visibility into aggregate export activity, complicating technology security oversight and industrial base planning.

The U.S. Space Force (USSF) is experiencing rising allied and partner demand for space capabilities. Between 2023 and 2024, the USSF's Space Systems Command (SSC) reported a 500% increase in requests for space capabilities through the FMS process, expanding beyond the capacity of the USSF to meet the demand (Albon, 2024). In parallel, the expanding commercial sector offers a host of dual-use technologies from a new generation of companies that can help satisfy allied and partner demand. It is not clear that FMS is the right approach for all capabilities or for all partners. This surge has overwhelmed the DAF and USSF in the near term, with case management, export control and ITAR checks all requiring excessive manpower and expertise.

The space sector offers a promising environment to examine greater reliance on the DCS model, yet several gaps warrant further study. Key uncertainties include how DCS could deliver measurable gains in speed and commercial integration without compromising technology–security oversight, and how the absence of centralized DCS tracking affects visibility into total U.S. space-cooperation activity, industrial-base throughput, and technology-transfer patterns. Addressing these questions through targeted research would clarify where and how DCS can complement FMS to meet allied demand more effectively.

Key Questions for Further Research

- Should DCS be formally endorsed by the DoW, and in what sectors and instances might this make sense? What are the risks and opportunities?
- When does DCS provide more or faster capability to allies and partners than FMS in space? Under what circumstances?
- How are the U.S. DIB-primes and commercially driven small-to-medium enterprises responding to the increase in space FMS and DCS cases? Which mechanism do they prefer and why? What are the costs, risks, and timeline trade-offs from the industry perspective?
- To what extent could the DAF and the U.S. DIB benefit from changes to the way DCS is managed and tracked? Could industry absorb some of the administrative costs for DCS space cases?
- What are the technology protection, sustainment, training, and interoperability implications of shifting from FMS to DCS for key space capabilities?

Leveraging Allied Capabilities and Innovations for Burden Sharing

This option focuses on reverse integration—systematically incorporating allied and partner-developed capabilities into U.S. acquisition programs and force design. Building on previous options, the new FMS system could also identify avenues to import innovative capabilities from allies and partners in a way that directly supports the DIBs of both the United States and its allies and partners. This could involve adopting allied-developed systems, integrating subsystems into U.S. platforms, or leveraging partner-provided data and services.

While the DoW historically has much greater resources to put towards innovation, allies and partners often innovate more quickly and more efficiently out of necessity. In an environment where capability development timelines are compressing, leveraging allied innovation can provide faster pathways for fielding relevant capabilities. Examples of such innovation include autonomous systems, electronic warfare tools, and small satellite or space payload technologies developed by close allies. In the 2020s, U.S. allies and partners also have developed more commercial and scientific capacity than they did during the Cold War

suggesting new opportunities. In short, the DoW should be on the lookout for these niche capabilities and actively engaging key allies to see what they have and are working on.

Moreover, the acquisition and SC communities should be discussing specific ways to include key allies into the earlier stages of DoW acquisition and capability development processes. Previous RAND research has pointed to the need to build in exportability by design principles to DoW planning, so that allied and partner interests are captured and export control considerations are included from the start. It is not helpful to anyone to have allied interests strictly as an afterthought. It could be useful to institutionalize exportability in space acquisitions (Federal Register, 2025). The DoW should consider ways to embed exportability by design principles across acquisition lifecycles, from requirements definitions through contracting phases. Reviewing how ITAR, disclosure, and release policies interact with program design and systems could highlight opportunities for earlier partner integration, tested through mechanisms like the International JROC or other exportability working groups.

Key Questions for Further Research

- Could a framework be designed for understanding when and where the DoW should seek to leverage allied innovations? What criteria would be appropriate?
- What sectors are the highest priority?
- Are there examples for the DoW importing innovative capabilities from allies and partners that help to inform the path going forward?
- Are there any successful examples of exportability by design principles applied with successful outcomes?

Developing a Cross-Functional Workforce to Include Acquisition, International, and Technology-Release Functions

The DoW workforce currently lacks the cross-functional integration needed to effectively leverage allied contributions, manage hybrid FMS/DCS models, or embed exportability by design principles across acquisition programs. Distinct career tracks and training pipelines have historically limited collaboration among acquisition, international affairs, and technology security professionals, resulting in fragmented decision-making. Development of a cross-functional workforce, combining expertise in acquisition, international engagement, export control, and system integration, may accelerate capability delivery and improve coordination of technology release decisions. For space specifically, integrating acquisition, international engagement, and technology-release functions could streamline FMS and DCS case management, enable faster partner integration, and enhance protection of sensitive technologies. Training programs could also include rotational assignments across SAF/IA, SAF/SQ, SSC, DSCA, DTSA, etc., to foster shared expertise and cross-organizational awareness. Strengthening collaboration among SAF/IA, SAF/SQ, SSC, DSCA, and DTSA and updating curricula through WAU and DSCU could help generate the expertise required to transform space FMS into a driver of resilience, deterrence, and strategic advantage to enable a globally integrated space enterprise (Space Force, 2025). This initiative aligns with both Executive Order No. 14017, Executive Order No. 13806, and the 2024 National Defense Industrial Strategy (NDIS), which emphasize workforce readiness and cross-section collaboration as pillars of industrial resilience. Performance metrics such as reduced case-processing times and increased partner participation could help evaluate its effectiveness.

Key Questions for Further Research

- Who should take the lead for training: WAU for acquisition or DSCU for security cooperation? Or should an inter-school effort be created to combine knowledge and expertise?
- How large should this cadre be, and how should it be expected to grow over time?
- Who should take the lead in managing this cross-functional workforce: DSCU, joint office, or other?
- How large should this cadre be initially, and what is the projected growth trajectory over 5 to 10 years?
- What training programs and rotational assignments are needed to build the required expertise?
- How should performance and outcomes be measured to ensure that the workforce improves FMS/DCS integration and allied cooperation?

Allies and Partners Have Choices Too

Recent RAND research entitled *U.S. Options for Identifying Third-Party Suppliers to Meet Ally and Partner Capability Needs* explored the conditions shaping the international defense market. We identified cases where U.S. allies and partners are looking to non-U.S. suppliers to meet their defense needs, and we wanted to understand, from the allied and partner perspective, why this is the case. The research found that the United States may not always be able to provide timely or tailored solutions for partners. In some cases, U.S. systems or processes are not optimally suited to address specific operational requirements. It was also clear in some instances that the U.S. system in question was not ideally suited to address a partner's specific needs. Third-party suppliers could be incorporated into a U.S. strategy as complementary options, ensuring that partners acquire needed capabilities more efficiently while still aligning with U.S. strategic objectives. The work highlights the variety of factors that could make a U.S. solution untenable, including such considerations as cost, timeline for availability, the functional features for the intended operational context, export control policies, and strategic competition.

The bottom line is that U.S. solutions may not always be optimal for partner needs. The United States can take steps to be more aware of these third-party suppliers and even support them, when it makes sense, because allies and partners do have a choice.

At the same time, allied industries can be encouraged—and in some cases incentivized—to establish a presence in the United States, particularly when they possess niche capabilities that complement U.S. defense–industrial needs. Such investment would expand domestic production capacity, diversify supply chains, and strengthen collective resilience. Recent policy initiatives, including Executive Order No. 14110, Executive Order No. 14114, and the NDIS 2024, explicitly call for allied co-production and industrial-base integration as pillars of deterrence and competitiveness. Secure foreign investment frameworks such as CFIUS and programs under the defense production act Title III provide mechanisms to facilitate these partnerships while safeguarding technology and national-security interests. Clarifying demand signals and establishing transparent pathways for allied participation would help translate these policies into tangible industrial-base outcomes.

Conclusion

This paper has outlined actionable options for engaging allies and partners in new and innovative ways consistent with the objectives of the ATS. Each option warrants deeper analysis

to assess its feasibility, benefits, and potential risks. By identifying and operationalizing burden sharing approaches that integrate FMS, cooperative development, and allied innovation, the DoW can strengthen collective resilience, enhance deterrence, and advance shared national security objectives. Sustained implementation of these reforms, supported by clear policy guidance, coordinated governance, and continued engagement with industry and allies, will be essential to realizing the full potential of acquisition transformation. In short, we all can win.

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