



A Law to Reform Procurement and Develop Defense Startups

Published on 11/05/2026

Italy does not need simple adjustments, but a radical legislative reform in the wake of the bill proposed by Minister Crosetto. The goal? **Free the Defense market from the "right of first refusal"** of large groups and open up to startups, moving from a system of rent to an ecosystem of efficiency.

The Crosetto Bill: A Necessary Vision Against the "Rubber Wall"

The legislative attempt by Minister Guido Crosetto to streamline acquisition procedures and modernize the military tool was not just "opportune", **it was an act of strategic realism**. The proposal aimed to overcome a twenty-year gap, clashing however with the slowness of a system accustomed to the long times of ministerial bureaucracy.

Today, that vision must translate into a **Procurement Reform Law** that introduces:

- **Fast tracks for emerging technologies:** Bureaucratic procedures reduced to the bone for the purchase of drones, software, and AI systems.
- **Flexible partnership contracts:** Overcoming rigid procurement schemes to favor joint development between Defense and industry.

Breaking the Dominance of the "Big Five" (and Their Italian Sisters)

In the United States, Rahm Emanuel and the current administration have identified the problem: the "**Big Five**" (Lockheed Martin, Raytheon, Boeing, Northrop Grumman, and General Dynamics). These giants have operated for decades in a quasi-monopoly regime, favoring share buybacks over investments in capital and innovation. Emanuel proposes that **30-40% of federal funds** for emerging technologies be taken from these giants and reserved for new players.

In Italy, the situation is similar. The large national "monopolists" exert a 360° influence on the military environment, often dictating technical requirements instead of adapting to the needs of the units.

- **Political influence:** These companies saturate the decision-making space, making it difficult for an Italian startup to even access an operational test.
- **The suffocation of innovation:** While drone startups (UAS) are revolutionizing the field worldwide, in Italy the "national champions" often act as a bottleneck, blocking any initiative not born under their wing or that threatens their **multi-year programs of heavy and expensive platforms**.

Startups vs Monopolies: For a "Warfighting Acquisition System"

The real revolution must be legislative: **prohibit de facto monopolies** in rapidly evolving technological sectors.

1. **Mandatory Startup Quota:** A fixed percentage of the Defense budget for Research and Development must be legally allocated to companies less than 10 years old or innovative

SMEs, without going through the intermediation of large groups.

2. **End of "Not Invented Here":** Defense must be able to purchase abroad or from small local entities if the product is ready (COTS - Commercial Off-The-Shelf), without having to wait for the "monopolist of the moment" to develop their own version (often slower and more expensive).
3. **Veteran Advising:** As in the USA, competent veterans are needed to help startups navigate the system, bringing battlefield pragmatism into design processes, breaking the "corridor cliques".

Defense as an Ecosystem, Not a Fiefdom

The Army, today the most rigid sector, must become the laboratory of this reform. It is there that maximum agility is needed: from C-UAS (anti-drone) systems to distributed sensor technology. If the law does not impose a break from dependence on large groups, we will continue to pay "monopoly prices" for obsolete operational capabilities.

Industry must act as a partner, not a guide. If we do not have the courage for a law that opens the market to the excellence of Italian startups, our country will remain a buyer of old systems in a world that moves at the speed of software. The procurement revolution is not an industrial choice, it is a necessity for national survival.

News link: <https://www.wsj.com/opinion/the-u-s-military-needs-another-revolution-efaa0ad8?mod=Searchresults&pos=1&page=1>