Revolution at the Pentagon: Deal Team Six is Born – Private Managers to Negotiate with Industries

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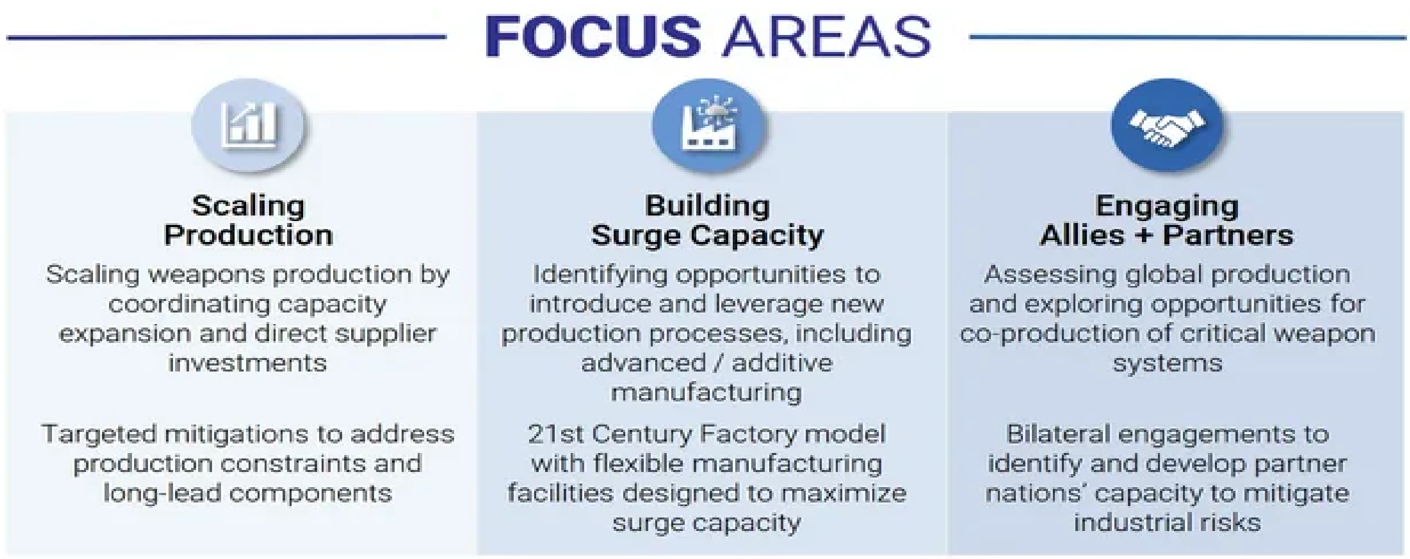
The United States Department of Defense has embarked on one of the most radical reforms in its recent history under the leadership of Secretary **Pete Hegseth**. At the center of this transformation is the **"Deal Team Six"**, an elite unit composed of **professionals from the private sector** tasked with managing and approving negotiations with defense contractors.

The stated goal is to dismantle the Pentagon's **"broken bureaucracy"**, replacing government officials with negotiators skilled in maximizing capital value. This initiative aims to rewrite the rules of engagement with the industry, transitioning from the old Defense Acquisition System to a more dynamic **Warfighting Acquisition System**, renamed the **"arsenal of freedom"**.



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The Strengths of the Strategy

The most innovative aspect of Hegseth's vision lies in the **restructuring of financial incentives** for contractors. For decades, defense companies have benefited from a system that allowed them to charge taxpayers for both the costs of building infrastructure and the final product price, a practice known as **"double-dipping"**.

The Deal Team Six aims to end this practice, **asking companies to self-finance industrial expansion** and the construction of new facilities. In exchange for this initial investment by the private sector, the Pentagon offers **broader and more stable long-term contracts**, ensuring steady orders for weapon systems that have proven merit. This approach not only aims to **stabilize prices** but also seeks to **drastically accelerate production times**, eliminating the chronic delays and cost overruns that have been the norm in the past.

The Risks and Challenges of the New Model

However, a transformation of such magnitude is not without significant uncertainties. The primary risk concerns the **potential loss of institutional oversight** and process transparency. Replacing career bureaucrats with private sector specialists could raise concerns about possible **conflicts of interest**, given the fluid nature of careers between high finance and the defense industry. Furthermore, the strategy is based on an ultimatum: if companies do not accept the new terms based on **fixed pricing** and the assumption of infrastructure risk, the department will seek other partners.

This stance assumes that there is a sufficiently competitive defense market, ignoring that many sectors are dominated by a few specialized players. There is also the danger that by shifting the burden of initial costs onto companies, **smaller entities may be cut out**, favoring only industrial giants. Finally, the allocation of substantial funds for research and development requires **rigorous monitoring** to prevent operational agility from translating into a lack of accountability to the taxpayer.