

# The Pentagon's \$399 Billion Plane to Nowhere

The next-generation F-35, the most expensive plane ever built, may be too dangerous to fly. Why is Congress keeping it alive?

BY KATE BRANNEN

**B**urying bad news before a long holiday weekend, the Pentagon announced just before 9 p.m. on July 3 that the entire F-35 Joint Strike Fighter fleet was being grounded after a June 23 runway fire at Eglin Air Force Base in Florida.

The grounding could not have come at a worse time, especially for the Marine Corps, which had lots of splashy events planned this month for its variant of the next-generation plane, whose costs have soared to an estimated \$112 million per aircraft.

Effectively saying that the most expensive warplane in American history is too dangerous to fly is a huge public relations blow for the Pentagon, which has been under fire for years for allowing the plane's costs to increase even as its delivery time continued to slide right. The plane's prime contractor, Lockheed Martin, could also take a hit to its bottom line if the F-35 isn't cleared to fly to the United Kingdom for a pair of high-profile international air shows packed with potential customers. One thing the grounding won't do, however, is derail the F-35, a juggernaut of a program that apparently has enough political top cover to withstand any storm.

Part of that protection comes from the jaw-dropping amounts of money at stake. The Pentagon intends to spend roughly \$399 billion to develop and buy 2,443 of the planes. However, over the course of the aircrafts' lifetimes, operating costs are

expected to exceed \$1 trillion. Lockheed has carefully hired suppliers and subcontractors in almost every state to ensure that virtually all senators and members of Congress have a stake in keeping the program -- and the jobs it has created -- in place.

"An upfront question with any program now is: How many congressional districts is it in?" said Thomas Christie, a former senior Pentagon acquisitions official.

In the case of the F-35, the short answer is: a lot. Counting all of its suppliers and subcontractors, parts of the program are spread out across at least 45 states. That's why there's no doubt lawmakers will continue to fund the program even though this is the third time in 17 months that the entire fleet has been grounded due to engine problems. In fact, in the version of the defense appropriations bill passed by the House, lawmakers agreed to purchase 38 planes in 2015, four more than the Pentagon requested.

The Pentagon has offered little information about the cause of the fire or whether the Marine Corps' version of the plane, the F-35B, had been cleared to participate in the Royal International Air Tattoo and the Farnborough International Airshow in the U.K. next week.

"Nobody wants to rush these aircraft back into the air before we know exactly what happened and investigators have a chance to do their work," Pentagon Press Secretary Rear Adm. John Kirby told reporters Tuesday.

In addition to the Marines, the F-35 is also being built for the Navy and the Air Force. Each service is getting its own unique version of the aircraft, though the most important part -- the engine -- is being shared across all three models.

But the armed services are not the only customers. Eight international partners have signed on to help build and buy the planes: the U.K., Italy, the Netherlands, Turkey, Canada, Australia, Denmark, and Norway. While not involved in the development of the plane, Israel and Japan are buying it through the foreign military sales process, and South Korea recently indicated that it would buy at least 40 of the aircraft.

It's crucial for the Pentagon that each of these countries sticks with their planned buys to prevent the unit price of each aircraft from increasing even further. Lockheed, in turn, sees those foreign sales as an important part of its strategy to diversify away from the shrinking U.S. defense market in favor of expanding overseas ones.

Unfortunately for the Pentagon -- and for Lockheed -- the Pentagon's decision to ground the planes has already caused the aircraft to miss its scheduled July 4 international debut: flying over the naming ceremony for the British Royal Navy's new aircraft carrier -- the HMS Queen Elizabeth -- in Scotland.

"This government has sold this turkey and is still selling it," Christie said.

None of the countries involved in the program have indicated their commitment to it has changed since the planes were grounded.

Its future really isn't in doubt, but the F-35 is facing some criticism at home. On Capitol Hill, the F-35's biggest critic is Sen. John McCain (R-Ariz.). He's famous for his tirades against the plane, bemoaning the program's cost and the fact that the

United States is buying the fighter jet before its testing is even complete. But so far his rhetorical bark is worse than his legislative bite when it comes to the annual defense authorization bill.

On Tuesday, McCain told *Defense News* that the F-35 is the worst example "of the military-industrial-congressional complex," but other senators, including Sen. James Inhofe (R-Okla.), were mostly confident that its problems would be fixed.

Meanwhile, Lockheed's rival Boeing, which builds EA-18G Growlers and F/A-18 Super Hornets, criticizes the F-35's capabilities in the press and vies with it for money on Capitol Hill. But even Boeing is careful about how far it will go with its criticism, because at the end of the day, the company doesn't want to burn its relationship with its government customers, said Winslow Wheeler, a former congressional staffer who closely tracks the program's ups and downs.

"The political armor of the F-35 is as thick as the heads of the people who designed the airplane and its acquisition plan," he said.

Wheeler is one of the F-35's biggest critics, but his view of the program's political protections is widely shared, and it's one of the reasons that the program appears to be here to stay despite a growing record of problems.

In September 2013, the Pentagon's F-35 program office announced that the tires on the Marine Corps model were wearing out way too fast. This February, the entire fleet was grounded for a whole week after a crack was discovered in a test aircraft's engine turbine blade. As recently as June 9, the Pentagon had to ground the entire fleet after an oil leak occurred midflight, causing a Marine pilot to emergency-land the plane at a base in Arizona.

But the program office and Lockheed have worked hard to solve these problems as they crop up. And Air Force Lt. Gen. Christopher Bogdan, the F-35 program manager, has brought new focus to the program's price tag, pressuring Lockheed to bring down its costs.

Still, the problems continue. According to congressional and defense sources, the June 23 incident happened right before the F-35A -- the Air Force variant -- lifted off the ground. The pilot was able to abort the takeoff and get out of the plane in time.

"The root cause of the incident remains under investigation," the Pentagon said in its July 3 statement. More than two weeks since the event, there has been little official news. The companies, meanwhile, are staying mum.

"Lockheed Martin is working closely with the F-35 Joint Program Office and industry partners in supporting the Air Force investigation," said Lockheed spokeswoman Laura Siebert. "Safety is our team's top priority."

The plane's engine maker, Pratt & Whitney, also said it's standing ready to assist the investigation, but it wouldn't offer any more details.

Kirby, the Pentagon spokesman, attributed the F-35 grounding to the growing pains inherent in any complicated new weapons program. "It absolutely doesn't do anything to shake our confidence in the F-35 program and the progress that has been made both from an engineering and from a financial perspective," he said.

While no one is predicting any drastic changes to the program, defense and congressional sources said the F-35's current engine problems could lead to a revival of the battle over whether General Electric and Rolls Royce should build a second engine for the plane. The effort had been deeply controversial within the Pentagon, where senior leaders like then-Defense Secretary Robert Gates derided it as a waste of taxpayer money. The effort was finally killed by Congress in 2011.

If it turns out that there is a serious problem with the Pratt & Whitney engine, though, you can expect to see an explosion of advertisements from GE-Rolls Royce in the Pentagon's metro station, one former defense official said. "There will be a lot of I-told-you-sos," he said.

U.S. Navy photo courtesy Lockheed Martin via Getty Images