

Speed, Resilience, and the Myth of Competition in Defense Procurement

“I have been informed by the Department of War that Defense Contractor, Raytheon, has been the least responsive to the needs of the Department of War, the slowest in increasing their volume, and the most aggressive spending on their shareholders rather than the needs and demands of the United States Military... Either Raytheon steps up and starts investing in more upfront investment like plants and equipment, or they will no longer be doing business with the Department of War.”

— President Donald J. Trump, Truth Social, 2026

The Problem Is Not Ideology. It Is Performance.

President Trump’s statement is not a critique of capitalism or an abstract argument for industrial policy. It is a performance indictment. The charge is operational: the largest defense contractors are slow, unresponsive, and insufficiently invested in domestic production capacity, even as national security demands faster delivery and greater surge capability.

This matters because federal procurement is routinely defended as “competitive.” If competition were functioning as intended, it should discipline exactly the failures the President describes. This paper asks whether that claim holds in practice—and whether the tools most often criticized, particularly the 8(a) program, are in fact part of the solution rather than the problem.

To answer that question, we examine how competition actually operates for the largest defense contractors, beginning with Raytheon. Using award-level data from USASpending.gov for the DATA Act era (FY2018–FY2025), we analyze how often Raytheon awards are classified as competitive and what those competitions look like in reality. (Full methodology available at https://www.8afacts.org/procurement_resilience.)

When “Competitive” Means One Bid

Across FY2018–FY2024, thousands of Raytheon awards are formally classified as competitive under federal definitions. But the facts are consistent: 36 to 46 percent attracted only a single bidder between FY2018 and FY2024. *Even when competition exists on paper, a substantial share of these procurements function as de facto sole-source awards in practice.*

This gap between formal classification and operational reality matters. A system that produces nominal competition without competitive pressure cannot reliably deliver speed, responsiveness, or disciplined investment behavior. It instead incentivizes delay, risk avoidance, and protest-driven paralysis—the precise conditions the President criticized.

This context matters.

“The Pentagon ... will only do business with industry partners that share our priority of speed and volume above all else, and who are willing to surge American manufacturing at the speed of ingenuity to deliver rapidly and reliably for our war fighters.”

–Secretary of War Pete Hegseth ([source](#))

Why 8(a) Operates Differently

The contrast with the 8(a) program is structural, not ideological. Unlike large-prime procurements, 8(a) awards are designed to move quickly and to limit procedural drag. Streamlined and directed 8(a) actions sharply reduce opportunities for bid protests that routinely delay incumbent awards, allowing agencies to award and begin performance without months of litigation risk and delay through bid protests.

Indeed, Secretary Hegseth’s wise words precisely describe small, nimble American businesses – not corporate behemoths who, facing none of the 8(a) statutory limits on profit, charge the taxpayers whatever they can get away with.

That speed does not come at the expense of accountability. 8(a) firms face tighter pricing scrutiny, direct performance oversight, and far less tolerance for failure. A single poor performance evaluation can end a small firm’s ability to win future work.

In boots-on-the-ground reality, this creates faster and stronger performance discipline than paper competition that attracts one bidder and then stalls in protest.

8(a) and the Defense Industrial Base

President Trump’s National Security Strategy makes clear that national power depends on a robust domestic industrial base capable of meeting both peacetime and wartime demands. The DATA Act record shows that 8(a) firms are already indispensable to that objective.

Across FY2018–FY2025, 8(a) firms are primary suppliers in multiple specialized and operationally critical niches, including industrial and institutional construction, skilled specialty trades, facilities operations, and compliance-heavy support functions. In many of these categories, 8(a) firms account for 40–70 percent or more of all awards, serving as the default providers of localized, schedule-critical work. (Full list at https://www.8afacts.org/procurement_resilience.)).

In addition, 8(a) firms function as a critical minority supplier at scale across major defense-support categories such as facilities support services, IT systems design, program management, logistics, and technical consulting. In these areas, they consistently capture 20–35 percent of awards and billions of dollars in obligations, absorbing specialized tasks and surge requirements that would otherwise bottleneck programs. (Full list at [link](#)).

Conclusion: Speed Requires Structure

President Trump’s warning about Raytheon was not an argument against markets. It was an argument against a procurement structure that rewards delay, paper competition, and financial engineering over speed, capacity, and execution. The data show that this concern is real. Even where awards are labeled “competitive,” large-prime procurement frequently produces one-bid outcomes and high protest exposure — conditions that rationally discourage rapid investment in domestic production.

The 8(a) program operates differently because it is designed differently. It reduces procedural drag, limits protest-driven paralysis, and enforces performance discipline quickly and directly. That structure is not a loophole around competition; it is one of the few mechanisms in the system that produces actual responsiveness rather than the appearance of it.

Weakening or eliminating 8(a) would not correct the failures the President identified and it would not meet the requirements that the Secretary of War laid out.

It would entrench those failures — further concentrating work among slow-moving incumbents and narrowing the supplier base at the moment President Trump’s wise national security doctrine calls for reindustrialization and surge capacity.

If the objective is speed, competence, and a resilient domestic industrial base, then 8(a) is not the problem to be solved.

It is a critical part of the infrastructure that makes those goals achievable.