

-- **Institutional reform.** “Coming out of more than a decade of war and budget growth, there is a clear opportunity and need to reform and reshape our entire defense enterprise, including paring back the world's largest back office.”

-- **Re-evaluating how the Pentagon decides how big it needs to be.** “We will re-evaluate our military's force-planning construct, the assumptions and the scenarios that guide how the military should organize, train and equip our forces.”

-- **How to maintain readiness despite shrinking dollars.** “We may have to accept the reality that not every unit would be at maximum readiness, and some kind of a tiered readiness system is perhaps inevitable.”

-- **Preserving military innovation.** “A fourth priority will be protecting investments in emerging military capabilities, especially space, cyber, special operations forces and intelligence surveillance and reconnaissance.”

-- **Achieving balance.** “Across the services we will need to carefully reconsider the mix between capacity and capability between active and reserve forces, between forward-stationed and home-based forces, and between conventional and unconventional war-fighting capabilities.”

-- **Reforming military compensation.** “Without serious attempts to achieve significant savings in this area, which consumes roughly now half of the DOD budget and is increasing every year, we risk becoming an unbalanced force, one that is well-compensated but poorly trained and equipped with limited readiness and capability.”