7. The 1998 Defense Budget

Congress should

- reduce the budget authorization for the Department of Defense from the present $243 billion to $154 billion (in 1997 dollars) in increments over the next five years;
- make it clear that this defense budget reduction must be matched by a narrowing of America's national strategy from the present "two major regional contingencies" to one;
- encourage a shift in military missions from extensive use of ground forces to punitive long-range attack;
- cut the active general purpose force structure to 6 Army divisions, 2 Marine divisions with their air wings, 10 Air Force tactical air wings, and 6 Navy aircraft carrier battle groups with 5 Navy air wings;
- ensure that smaller general purpose forces are equipped with the most effective weapons and information technology and are fully funded;
- require accelerated reduction in strategic nuclear offensive weapons, down to the START II targets of 3,500 countable weapons; then require further negotiations with Russia to bring the strategic offensive nuclear forces of both sides down to about 2,000 warheads;
- accelerate research and development of strategic defense for the territorial United States against ballistic and cruise missiles and aim for the beginning of deployment about a decade from now;
- mandate the effective detection and suppression of terrorism against American society, while making special efforts to avoid intrusions on the lives and properly of American citizens; and
- overall, shift the emphasis of American defense away from alliance commitments, collective security, and "extended deterrence" and toward the protection of the American homeland and society against direct external assaults.

How to Think about Defense Policy

To understand defense policy, we need a theory that relates a country's role and objectives in the world all the way "down" to the resources that are required for such a stance. Otherwise, everything done for defense looks arbitrary, expensive, and even wasteful. Thus, this chapter will end up with some prescriptions for defense policy that are part of a comprehensive scheme. That means that reforms in the defense program will imply some larger changes in the way America does its security business, and its foreign policy business, in the world.

You can't comment usefully on the defense budget unless you can trace the connections among foreign policy (the way that our national society orients itself to the international system); national strategy; military missions; force structure, major weapons systems, and operational doctrine; and resources of money and military personnel. Those constitute levels in a "hierarchy of concerns." Together, they are the linkage between the geopolitics of the U.S. situation in the international system and the nation's political economy.

You also can't make reliable comments about the defense budget unless you know what the various items cost, particularly combat forces in their entirety (including their supporting units and structures and their weaponry). We have to reconstruct the "full-slice" costs of those forces.

We can read the foreign policy pronouncements of an administration, not for the words or the tone, but for the operational implications—in terms of the ensuing strategies that must be adopted, the military missions that will be generated, the forces and weapons that will become necessary, the needs for budgetary dollars and recruitment of military personnel. That is the logic of foreign policy.

We must judge foreign policy pronouncements by those tangible requisites and by whether this country, as a political economy, can, and will, meet the requisites—that is, will give the policy and its consequences (the entailed contingent actions) steady, reliable support and will provide the revenues, from the public wealth, and make them available to the government to fund those actions. That is the logistics of foreign policy.

If we find, by applying those operational tests, that the nation cannot or will not support the professed objects of the nation's foreign policy, then "something has to give." There will have to be some feedback in the model, in the levels of the hierarchy of concerns.

A Rational Model of Defense

We have posited a rational model, in which national defense is (1) related to the external situation of this country in the international system and (2) rooted in, and ultimately constrained by, the multifaceted political economy of this country: economic, social, and political (including constitutional). Though we might disagree with the substance of America's present defense policy, we find it consistent with the level of defense output that is required to support America's present national strategy and foreign policy.

That means that critics cannot take credit for any significant efficiencies (better cost-effectiveness ratios). For one thing, presumed savings from the elimination of "waste" cannot be used in any realistic future calculation. For another thing, the so-called building blocks of force that the Pentagon has decreed appropriate to each of the two planned "major regional contingencies" are largely correct; indeed, if anything, they are the minimal requisites to fight and win each of the regional contingencies, say, a desert war in the Persian Gulf and an encounter with North Korea.

But this estimate of the necessary building blocks has been challenged by ostensibly knowledgeable military analysts. The effect of their critiques—if believed—is to dilute the relationship between military missions and military forces and to make it seemingly feasible for the United States to do more with less. The reality is different: To fight Desert Storm in 1991, the United States had, in and close by the theater, forces that represented 45 percent of its (then) active worldwide force structure—and that structure was considerably larger than it is now.

I suppose the critics could argue that all that force was redundant. But that would be a tenuous argument. That is because of "the American way of war." It is a sociological fact that Americans will fight only with marked technological superiority on any battlefield and with grossly disproportionate superiority of force, and, moreover, they will insist on quick victory, with a minimum of casualties.

I will advocate radical savings in the defense budget, but not through sleight of hand, or sleight of rhetoric—only through reductions in forces, which demand commensurate reductions of the objects of America's national strategy and foreign policy.

The Demands of Foreign Policy

Analysis of the defense budget must start with an operational interpretation of America's foreign policy and national strategy. That interpretation

can be construed from a reading of the secretary of defense's annual "posture statement" in conjunction with the White House document, *A National Security Strategy of Engagement and Enlargement.*

The quickest rendering of those documents is "world's policeman." "Engagement" entails the propensity to involve the United States, even militarily, in a large list of contingencies in the world—not very different from the Bush administration's "new world order," which was literally universal, and almost abstract, to the point of presence and intervention in the interest of "stability," more or less for its own sake. "Enlargement" (of democracy in the world) offers an expansion (if that is possible) of the occasions for American intervention, because of the addition of that functional object of our foreign policy.

The judgment of "world's policeman" obtains, despite the obligatory official disclaimers and protestations of "selectivity" and "restraint." Operationally, there is no middle ground between being the world's policeman and not being the world's policeman.

Certainly, from a budgetary standpoint, there is no middle ground. The cost of this nation's foreign policy is not its "international affairs budget" (at approximately $16.5 billion a year, expensive but ludicrously insignificant as a target of partisan critics) but rather our defense budget of $243 billion. Thus, the larger question that we are asking is, Can the United States afford its foreign policy?

Critical Analysis of the U.S. Defense Budget

The basic document elucidating U.S. defense expenditures is the *Annual Report to the President and the Congress* by the reigning secretary of defense—in this case, William J. Perry's February 1996 report for fiscal year 1997.

First, we have to be clear about what set of figures we are going to use. For FY97, the budget authority originally requested by the secretary of defense, for the Department of Defense itself (line item 051), is $242,632,000; we will round that figure to $243 billion.

The report of the secretary of defense is complete, truthful, accurate, and informative. The problems with the report, from the standpoint of defense analysis, are that the numbers

1. are stated, and aggregated, in ways that do not, in themselves, reveal the "full-slice" costs of keeping the combat forces in the force structure for one year and

2. do not, without further rearrangement, throw light on the costs, to the United States, of defending key regions of the world.

Without such insights, we cannot relate defense costs to foreign policy objectives.

There seems to be a popular fascination—an obsession, even—with the cost of individual items of hardware, say, the unit cost of the next air superiority fighter plane or the cost of one Seawolf attack submarine. Ironically, those are just pieces of larger systems and, more important, forces that cost even more—in fact, dozens of times more than the "big ticket items" themselves.

So we perform an "anatomy" and regroup the officially stated costs in categories that will give us more insight into two kinds of matters: the functional split of the entire defense budget of $243 billion and the "full-slice" costs (including all support costs and overhead costs) of the combat units of the four (splitting the Marine Corps from the Navy) military services.

Functional Split

The functional split of the entire defense budget is presented in two ways, by combat outputs and by regional attribution. The split by combat outputs is given in Table 7.1. Strategic nuclear forces and general purpose forces are the *only* true outputs of the Department of Defense—all the rest of the "program categories" of that department are not outputs in themselves but inputs of support and overhead into the combat outputs.

The second way the functional split of the entire defense budget is presented is by regional attribution. The active-duty general purpose forces (10 Army divisions; 3 Marine divisions, each with its organic double-strength air wing; 13 Air Force tactical air wings; 11 Navy aircraft carrier

Table 7.1
Combat Outputs

Combat Output	Cost ($ billions)	Percentage of Budget
Strategic nuclear forces	26	11
General purpose forces (and special operations forces)	217	89

battle groups with 10 Navy air wings) are "attributed" to the geographical regions of the world, as defined by the Department of Defense. The regional attribution of those forces is given in Table 7.2.

The cost to the United States of defending the regions of the world in FY97 is given in Table 7.3.

Table 7.2
Attribution of Ground Forces

Region	Army Divisions	Marine Divisions
Atlantic		
Europe	3	0
Persian Gulf/Middle East	4	1
Total	7	1
Pacific	3	2
Total	10	3

NOTE: Since the calculation and attribution of all the general purpose forces "pivots" on the ground forces, in this table they are used to represent the other forces as well.

Table 7.3
Cost of Regional Defense

Region	Cost ($ billions)
Atlantic	
Europe	53
Persian Gulf	82
Total	135
Pacific	82
Total	217

"Full-Slice" Costs

The "full-slice" costs (including all support costs and overhead costs) of the combat units of the four (splitting the Marine Corps from the Navy) military services are given in Table 7.4.

Table 7.4
"Full-Slice" Costs of Combat Units

Unit	"Full-slice" Cost per Unit ($ billions)
Army division (averaging the various types of division: armored, mechanized, infantry, light infantry, air assault, airborne)	7.05
Marine Corps (3 division-wing teams)	24.7
Air Force tactical air wing	2.29
Navy aircraft carrier battle group kept forward (since the best rotation plan that can be carried out, over an intermediate period, is 3 total carrier groups to "generate" 1 carrier group constantly on a forward battle station)	3.8 x 3 = 11.4

Proposals for Reform

Our rational model of defense policy leads us to discount heavily—to reject totally, in some cases—theories, prototheoretical assertions, and even atheoretical insinuations to the effect that (1) the defense program and defense budget (aggregate spending, what we buy, what we plan to use it for) are the results of organizational momentum, bureaucratic aggrandizement, corporate greed, unaccountable waste, mindless administration, perceptual panic, and other "explanations" that would cut the linkage between national requirements and requisite resources and that, therefore, (2) since there is "no reason" for what we are now doing, we can make, with impunity, purely arbitrary cuts and "transfers" from the defense budget.

That is not the case. Of course, there is, as in any human enterprise, some distortion of means, but that, in a proper model of defense planning, constitutes the "noise," not the signal. The signal is that, for the most part, we have to pay for what we get, more or less at the going rates. If we want to save considerable amounts from me defense budget, we will have to slight some elements of our national strategy, and we will have to give up some objects of our foreign policy.

There should also be some other, independent, criterion—not just dollar savings—for determining what kind of defense program we will have. That criterion would be the "appropriateness" of defense policy: appropriateness to our irreducible security requirements—safeguarding the lives and domestic property of our citizens, the national territory, and the autonomy of our political processes—and, beyond that, perhaps appropriateness for supporting larger defined interests of the country in the world.

Threats and Missions

If one had to identify developments in the world that might present real threats to American society in, say, the next two decades, the first task would be to identify what should *not* be on that list:

- The narcotics trade and criminal syndicates, as fields for the employment of the military.
- Political practices, including human rights pressures, in other countries. This is not to say that American groups and individuals cannot speak out, and even wage a form of "private diplomacy." But the American government should stay out of such quarrels. It may "react" to practices in some regimes by thinning out, or cooling off, official relations, but it should not adopt trade sanctions, blockades, armed assaults, and the like in order to change other countries' political practices.
- "Economic warfare." The United States happens to have the assets of economic redundancy and diversity and "scale," even in an age of supposed "interdependence." Though we would not want to do so, we could ride out, passively, a fair number of foreign attempts at deprivation of resources, trade, and investment.
- Aggression by regional powers, in their own regions. The United States also has the asset of tremendous strategic depth (a fact that was first officially noted by President George Washington in 1796). There is a larger point involved here: Even a country like China—and, arguably, already a country such as Russia—will be seen to have lapsed into "macroregional" status, and therefore to have failed to present a *global* challenge to the United States. Therefore, we (that is, American arms makers) may provide weaponry and supplies to "decent" countries in other regions who wish to enhance their defensive potential. But the United States, as a government, should, over

a reasonably short time, absolve itself of guarantees for and sponsorship of other countries in other regions of the world.

In the following subsections I will discuss the kinds of matters that *should* be the concerns of American security policy.

Dealing with Powers in Other Regions

As an item of foreign policy, the United States should adopt a noninterventionist stance, leaving events in other regions of the world to work themselves out according to the play of power and diplomacy of the nations in those regions.

Yet it is not unimaginable that circumstances could arise that would suggest a military mission into some other region, against some regional power or coalition of powers. Therefore, our national strategy must encompass the possibility of our waging an other-regional strike.

And so, our mission-planning assumption will pivot on the capability to wage one (''simultaneous'') large-scale attack on a "major" regional power, but without the prospect of taking and holding territory beyond, perhaps, the immediate bases necessary to sustain the military strikes, and without the prospect of continuing a conflict long enough to require a "mobilization base" for our deployed forces.

Well within the force requirements for such a state of affairs would be a modest American engagement in some true peacekeeping (not peace-enforcing) mission in some rare situation that met stringent requirements of advancing our own diplomatic aims. Such a mission would be subject to the stricture that an American deployment would be designed to be of very short duration (a feature that would practically rule out most such missions).

That planning assumption will, in turn, carry over into our design of force structure and weapons and operational doctrines. Thus, to implement this very guarded kind of "hedged noninterventionist'' strategy and possible missions, we would have to prepare to wage, not sustained interventions, but punitive strikes.

A punitive strike might be less than decisive. It would virtually have to be executed by ''stand-off'' forces. The "fires" would become the attack, rather than, as in the military operations we have ordinarily waged, support for the attack by our maneuver units. (There would still be some "plausible" function for ground forces, if they fit into a basically punitive doctrine. Ground forces can "fix" and "channel" an enemy, force an enemy to mass and sometimes dismount, and so on.)

The habitual distinction between long-range and short-range delivery of fires would be collapsed; with very precise, and terminal, guidance, virtually the same accuracy could be obtained from any distance.

There would be more emphasis on the projectiles than the platforms. That would imply increasing use of unmanned and perhaps expendable platforms, too; indeed, the distinction between platform and projectile might well be lost.

As for targets, we could punish an enemy force, but the very distinction between force-targets and value-targets would be blurred. We might seek to destroy an enemy force as an item of value.

Warding Off Direct Assaults on the United States

We are left with the threat of direct assault on the United States. Such a threat consists, actually, of two problems, at opposite ends of the scale of "delivery" of destruction—but, in the future, perhaps with converging scales of violence:

1. long-range attacks on the United States with weapons of mass destruction, particularly nuclear weapons, and
2. terroristic delivery of the entire range of weapons, from small arms and conventional explosives to weapons of mass destruction, including nuclear bombs, chemicals, and biological agents.

Those threats are tangible and real, and they can occur even without our (immediate) intervention in quarrels in other regions of the world. They are, however, still "on the horizon," though that horizon is now probably less than 10 years, in terms of the sheer technical and physical capability of antagonists. Those potential attacks have to be physically interdicted.

An enemy's potential long-range delivery of highly lethal munitions calls for active defenses. It is probably the case that present ''off-the-shelf'' missile interception technology is not adequate to the task—certainly not to the task of thinning out, satisfactorily, a "barrage" attack and perhaps not even to the task of reliably and nearly perfectly interdicting a "limited" missile attack by hostile regional powers. (Note that the only power, now and foreseeably, able to unleash a barrage attack is Russia, but Russia is, of course, an unlikely aggressor against the United States.)

But at some point, (1) this country will need strategic societal defenses; (2) the American public will insist on whatever degree of strategic societal defense we can feasibly deploy; (3) the incremental physical protection

afforded, though not perfect, will appear to dwarf the arms-control complications (if any still exist by that time, since the Russians—the only arms control partner that we must talce into account—themselves will be amenable to deploying some strategic defense); and (4) a prediction could be made, with some confidence, that technological progress will converge on a set of capabilities that will translate into an effective missile-acquiring and missile-killing defense system.

Targeting and Firing Offensive Nuclear Weapons

Nuclear threats must also continue to be deterred. That is why, in the impending "multinuclear world," the United States must retain a pared-down, but still potent, and varied, retaliatory force of nuclear offensive weapons. Targeting would be primarily military and military-logistical. That equates to a "counterforce" doctrine, though not in the narrowest sense of targeting only the offensive nuclear forces of potential enemies. As for the doctrine of precedence of use, we would contemplate the possibility of preemption, in an advanced crisis, and upon reliable indication that a regional enemy, in a situation of hostilities, was preparing a nuclear strike (or a strike with other weapons of mass destruction) against our deployed conventional forces, our theater-deployed nuclear assets, and, probably, some of our allies' forces and logistical, economic, and societal targets. (In the "New Paradigm," and against lesser-than-Russian regional nuclear adversaries, the putatively destabilizing aspects of counterforce and its presumption of preemptive first strike are no longer overriding. However, to the extent possible, we would want to assign preemptive tasks to conventional munitions.)

In the case of terroristic delivery of lethal devices into the American homeland, what is required is not strictly military measures, let alone measures that would have any appreciable impact on any sector of the federal budget, military or otherwise. What is needed is intelligence, and police work and border control.

In specifying those measures, one encounters inevitable contradictions with the civil liberties of American citizens, which are already severely affected by the ambitious use, by agencies of government, of laws adopted under the rubric of "money laundering," "drug enforcement," and the

like. We must strain all the harder, therefore, to maintain safeguards against government abuse of the privacy of the lives, and the transactions, of American citizens.

Reducing the Defense Budget

Correct policy would limit the objectives of U.S. foreign policy and national strategy to the essential minimum; then, from that low base, it would hedge a bit against the unexpected or the miscalculated; and then it would make sure that the objectives, the strategies, and the military missions were adequately supported—with forces and weapons, the requisite degree of readiness, and the proper funding.

Conventional Forces

With regard to conventional forces, preparing to fight only one "major regional contingency"—and that only as a hedge against provocations that are not even actually projected—would *save,* from current (1997) general purpose force levels,

- 4 Army divisions—down to 6,
- 1 Marine division (land force component)—down to 2,
- 3 Navy aircraft carrier battle groups (ships)—down to 6,
- some Navy amphibious shipping—roughly, down to 1 "set,"
- 7 Air Force tactical air wings—down to 10,
- 2 (equivalent) Marine air wings—down to 4 (equivalent),
- 5 Navy air wings—down to 5.

Strategic Nuclear Forces

The country should implement, on an accelerated basis, the START II strategic offensive ceilings on nuclear forces, bringing countable U.S. forces down to about 3,500 warheads; then we should negotiate a further reduction to approximately the 2,000 level (including theater as well as strategic weapons). But We should not disarm, strategically, below that level, in a threat climate that will, predictably, include a half-dozen potentially hostile regional nuclear (or other mass-destruction) powers with longer range delivery systems. With such a force, the United States would, of course, avoid any commitments to "extended deterrence."

I suggest an (almost) dyad of offensive nuclear forces: stand-off bombers and submarine-launched missiles, along with some shorter range theater missiles (including cruise missiles) capable of being fired from bases,

including offshore naval vessels such as cruisers or attack submarines, within a regional theater of conflict. The almost-dyad might or might not retain a number of our land-based intercontinental ballistic missiles. It is no longer so important to eliminate land-based missiles, and they are relatively cheap and relatively secure from a command-and-control standpoint.

Roughly, only two of the various categories of nuclear powers of the future would have to be "addressed" by U. S. nuclear strategy: (1) the objectively powerful Russian force and (2) the overtly hostile forces of an Iraq, Iran, Libya, or North Korea. With a force of 2,000 warheads, distributed roughly between submarine-launched and other-based weapons, the United States could deal flexibly with such potential adversaries. My objective U.S. offensive nuclear force is given in Table 7.5.

A slight acceleration of those offensive nuclear weapon reductions, and a reduction to lower levels, even beyond the schedule initiated by the Bush administration and continued into the Clinton administration, should provide the savings needed to supply the relatively (in absolute dollar terms) small additional amounts to support an enhanced development program on the strategic defensive side. We now spend, on missile defense (strategic as well as theater, nuclear as well as conventional, research as

Table 7.5
Suggested Offensive Nuclear Force

System	Warheads
8 Trident submarines, each carrying 20 D-5 missiles, each with approximately 6 to 8 warheads	960–1,280
24 B-52H bombers equipped with (10 notional) air-launched cruise missiles	240
16 B-2 (penetrating stealth) bombers carrying (10 notional) gravity bombs	160
[optional] 100 land-based ICBMs, each carrying one warhead	100
400 (theater-range) cruise missiles	400
Total	1,860-2,180

well as some production) something like $3 billion a year. (Cumulatively, we have already spent about $40 billion.)

Actual deployment of a strategic defensive shield would cost an indeterminate amount, since the location of the platforms, and even some of the ultimate physical principles, are in the shadow of uncertainty. But one can posit a range of another $100 billion to $120 billion for the remaining development and deployment. (I have, skeptically, added some to the Congressional Budget Office's estimate of $31 billion to $60 billion for both the remaining research and the deployment of the "Dole/Defend America" version of strategic defense, over 13 budget years through 2010.) Deployment should not start until the design of the system is firmly in place, and that cannot be before 10 years from now; deployment would take place over a minimum of a decade from that time. Therefore, we are talking about deployment costs of $5 billion to 7 billion a year, starting a dozen years from now.

Meanwhile, we would have to accelerate research and development, and even the engineering and testing phase. So we would have to figure on spending, on these earlier phases of strategic defense, something like $5 billion a year, up to the time that deployment was agreed and began to take place.

Finally, we should invest the relatively insignificant monetary amounts necessary to ward off and curtail terrorism.

This dramatically revised national security program can be obtained at an eventual annual budgetary expenditure of $154 billion (in 1997 dollars), instead of the planned expenditure of $243 billion. From the 1997 base—allowing about five years for the phaseouts, and allowing some inflation—by 2001 our alternative would cost about $173 billion a year, in contrast to the administration's $270 billion.

Thus, the above principles lead to a defense budget that would save some $89 billion to $97 billion a year from present and planned spending.

A National Security Strategy of Disengagement and Independence

By avoiding other-regional intervention with ground forces and enhancing the protection of our society by accelerated strategic defense and some carefully placed efforts against terrorism, we would achieve a cheaper defense that would be more appropriate to the American situation, both internationally and domestically.

Such a stance would amount to "strategic disengagement" and "strategic independence." The two formulas are complementary, and both are needed to bracket the strategy. ("Strategic independence" is a term coined by Ted Galen Carpenter, especially in *A Search for Enemies: America's Alliances after the Cold War.* "Strategic disengagement" is the designation of Earl C. Ravenal in, for example, the *Foreign Affairs* article "The Case for Strategic Disengagement.") "Independence" connotes autonomy of national decisionmaking. "Disengagement" represents, more concretely, a defensive stance in the world, even with geographical resonances. It combines the notions of distance and insulation (as much as can be realized in the age of military technologies of long-range destruction and instantaneous information).

Both elements of national strategy anticipate the situation, as well as counsel the role, of the United States in the world that impends.

Suggested Readings

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