



**FOREIGN  
AFFAIRS**

Published by the Council on Foreign Relations

## **How Cutting Pentagon Spending Will Fix U.S. Defense Strategy**

Benjamin Friedman

November 2, 2011

Summary:

The Pentagon's boosters are right that big budget cuts will limit military capabilities. What they fail to recognize is that would actually be a good thing for the United States, as reductions will dial back Washington's overzealous foreign policy.

Washington's defense hawks are circling the wagons to defend the Pentagon's budget. The Obama administration has instructed the military to reduce planned spending over the next decade by about \$400 billion, or eight percent over time. The Budget Control Act, the culmination of the debt-ceiling standoff this summer, could double those cuts. In response, senior defense officials, congressional committee chairs, and think tanks funded by military contractors have warned that excessive reductions will result in a fighting force that lacks the resources for its missions.

The Pentagon's boosters are right that big cuts will limit military capabilities. But that would actually be a good thing for the United States. Shrinking the U.S. military would not only save a fortune but also encourage policymakers to employ the armed services less promiscuously, keeping American troops -- and the country at large -- out of needless trouble. For the last two decades, the United States' considerable wealth and fortunate geography have made global adventurism seem largely costless. The 2011 U.S. military budget of nearly \$700 billion is higher in real terms than at any point during the Cold War. But for the American public (except the members of the military and their families, that is), the only real impact of such spending has been marginally higher taxes, which have lately been subsidized by deficits. As a result, leaders confuse needs and ambitions. Going beyond the demands of the White House and the Budget Control Act and cutting the non-war military budget by at least 20 percent would be a first step toward addressing this problem.

Austerity is an efficient auditor. It forces Washington to scrutinize expenses and to prioritize. Recall that the George W. Bush administration, with little controversy, cut taxes, fought two wars, expanded non-war defense spending, and added an expensive prescription drug benefit to Medicare -- all at roughly the same time. Deficit concerns have now made such fiscal imprudence impossible. Politicians eager to avoid tax increases and entitlement cuts have finally begun questioning Pentagon largesse, and for the first time since the late 1990s, military reductions are on the table.

They are not yet guaranteed, however. The White House says the Budget Control Act locks in lower defense spending. But the bill caps spending for just two years and allows the other "security" agencies -- the State Department, the Department of Veterans Affairs, the Department of Homeland Security, and the National Nuclear Security Administration -- to bear the required cuts. And those cuts are small: only about \$4 billion in 2012 compared to 2011, amounting to less than one percent. Because the caps do not apply to war spending, moreover, Congress can evade reductions by re-labeling base spending as war costs. Senate appropriators already protected \$10 billion using this gimmick in their proposed 2012 budget.

The act requires another \$500 billion in military spending cuts over ten years if the Joint Congressional Committee fails to identify \$1.2 trillion in government-wide savings that Congress then passes. But these additional cuts, known as sequestration, are unlikely, too. Neither the White House nor a congressional majority supports sequestering Pentagon funds. In fact, they have all of 2012 to change the law to avoid it, should the joint committee fail. Lawmakers in both parties, including Senator John McCain (R-Ariz.), have already suggested such an option.

Far bigger savings are possible if the Pentagon is recast as a true defense agency rather than one aimed at something far more ambitious. And cuts would force U.S. officials to prioritize. For starters, they would have to recognize that the U.S. military is currently structured to exercise power abroad, not provide self-defense. The U.S. Navy patrols the globe in the name of protecting global commerce, even though markets easily adapt to supply disruptions and other states have good reason to protect their own shipments. Washington maintains enormous ground forces in order to conduct nation-building missions abroad -- despite the fact that such missions generally fail at great cost. Garrisons in Germany and South Korea have become subsidies that allow Cold War-era allies to avoid self-reliance.

Not only are these missions unnecessary, they are counterproductive. They turn economically capable allies into dependents, provoke animosity in far-flung corners of the globe, and encourage states to balance U.S. military power, often with nuclear weapons. A strategy based on restraint would allow Washington to save at least about \$1.2 trillion over a decade, three times what the Obama administration is now asking for.

Here is a breakdown of those estimated savings over the next ten years:

Fewer missions would require fewer forces and lower procurement and operational costs. A U.S. Navy that surges to fight rare wars could operate three fewer carrier battle groups and air wings, leaving eight and seven, respectively; retain half as many expeditionary strike groups, leaving five; and cut the number of planned ships from 313 to 241. It could buy one attack submarine annually, rather than two, reducing the total to 40 by 2020, rather than 2028, as now planned. The littoral combat ships and the Marines' F-35B, the short-takeoff and vertical-landing version of the F-35 Joint Strike Fighter -- both currently under development -- would be cancelled. Savings: \$127 billion.

The Air Force can do without a third of its roughly 2,000 fighter and attack aircraft (including those in the National Guard and Reserves). Precision munitions have vastly increased each aircraft's striking power. Moreover, the Navy provides several strike alternatives to land-based fighters and bombers. Savings: \$89 billion.

If Washington avoids protracted occupations of restive states and defends fewer allies, the Pentagon could lose a quarter of a million troops from the Marines and Army via retirement alone. Savings: \$287 billion.

With a reduced force structure, each service would need less housing and administrative support and the Pentagon could employ fewer officers, civilians, and contractors. Combatant commands could be consolidated or eliminated. Additionally, intelligence, research, and development budgets can be cut by 10-15 percent. Savings: \$420 billion.

The Pentagon spends a growing portion of its budget on pay and benefits. Experience indicates that it could slow increases in military pay and raise health-care charges without much damage to recruiting. Additional savings can come from reducing commissary discounts. Such steps will grow less controversial as the wars in Iraq and Afghanistan end. Savings: \$130 billion.

U.S. nuclear superiority is so overwhelming that halving the nuclear arsenal and eliminating nuclear-armed bombers would not jeopardize the ability to retaliate sufficiently against a nuclear first strike. Missile defense should cease to be a program intended to protect the U.S. population, an impossible objective against a well-armed foe, and run by a special agency. The military services should instead manage their own programs aimed at protecting their forces from missiles. Savings: \$120 billion.

Washington does not have the political courage to make the kind of strategic shift these cuts would suggest, as the political establishment remains wedded to existing American military commitments. The White House,

moreover, considers strategy a question for the military, and the Pentagon is never going to slash its own budget by explaining the uselessness of its own missions.

Those looking to trim the Pentagon budget significantly should follow the [Nike approach](#): Just do it. Telling the services what their new budget is, but not how to reach it, will force a new kind of efficiency on the Pentagon. Military leaders will prioritize when they have to. With less money, they will sacrifice less important tasks and administrative bloat while salvaging their favored missions. Meanwhile, civilian leaders should jettison the so-called golden ratio, by which each service receives a fixed share of the Pentagon budget. If the services are forced to compete for the same funds, as they did in the 1950s, they will expose flaws in others' arguments and improve their own.

The danger in shedding military capability is that policymakers will try to do more with less, overburdening the force and endangering missions. But given the cost of the status quo, that is a risk worth taking.