

## **51. The Defense Budget**

### ***Policymakers should***

- reduce the budget for national defense from the current sum of more than \$400 billion to about \$200 billion in increments over five years;
- make it clear that the reduced budget must be accompanied by a more restrained national military posture that requires enough forces to fight a major war anywhere in the world;
- restructure U.S. forces to reflect the American geostrategic advantage of virtual invulnerability to invasion by deeply cutting ground forces (Army and Marines) while retaining a larger percentage of the Navy and Air Force;
- authorize a force structure of 5 active-duty Army divisions (down from 10 now), 1 active Marine division (reduced from 3 now), 14 Air Force fighter wings (down from 20 now), 200 Navy ships (down from 316), and 6 carrier battle groups with 6 Navy air wings (reduced from 12 and 11, respectively);
- require that the armed services compensate for reduced active forces by relying more on the National Guard and the Reserves in any major conflict;
- terminate force structure or weapons systems that are unneeded and use the savings to give taxpayers a break and to beef up neglected mission areas; and
- terminate all peacekeeping and overseas presence missions so that the armed services can concentrate on training to fight wars and to deploy from the U.S. homeland in an expeditionary mode should that become necessary.

### ***The Context for Defense Policy***

Paradoxically, the massive amount the United States spends on national defense each year, and the profligate military interventions conducted

overseas with the forces generated by such spending, may actually make the United States less, rather than more, secure.

A nation's defense policy (including the defense budget) should reflect its security situation—that is, the geopolitical realities of its environment. U.S. defense policy fails to take such realities into account.

Advocates of higher military budgets regret that U.S. spending on national defense has declined to about 3.5 percent of the nation's gross domestic product, its lowest point since 1940. As a result, they argue that U.S. security is being severely compromised. Although defense spending as a percentage of GDP is a good indicator of what proportion of the national wealth is being appropriated for defense, it is not an indicator of what amount should be spent on a nation's defense. Such spending should be based on the nation's geostrategic situation and the threats to its vital interests (which have declined dramatically since the end of the Cold War). Besides, no nation ever fought another nation with a percentage of its GDP. Nations fight other nations with military forces that are purchased with finite quantities of resources.

When the U.S. annual budget for national defense is compared with that of other nations, the true magnitude of U.S. defense spending becomes clear. The United States alone accounts for more than one-third of the world's military spending. U.S. defense spending roughly equals the combined spending of the next 18 nations and is more than triple the combined defense budgets of the remaining 142 countries in the world. The United States outspends both Russia and China seven to one. More important, the United States spends 54 times the combined amount spent by potential rogue state threats—Iran, Syria, Libya, Cuba, and North Korea.

The United States could probably spend less, not more, than other major nations and remain secure. The United States is blessed with one of the most secure geostrategic environments the world has ever seen. It is virtually invulnerable to a conventional military invasion. The United States has two great oceans separating it from other major powers and weak and friendly neighbors on its borders, and no major power exists in the Western Hemisphere to pose a challenge. Most important, any nation foolish enough to attack the United States would risk devastation of its homeland by the world's most formidable nuclear arsenal. In short, a large portion of the more than \$400 billion spent annually on defense (almost \$1,400 per American) has nothing to do with U.S. security and lots to do with the expensive, self-appointed role of “world leader.”

Of course, the attacks on September 11 brought home the vulnerability of the United States to strikes by terrorists using unconventional means.

The huge U.S. military is much larger than needed to conduct the small brushfire wars required to fight terrorism (much of the war on terrorism will be conducted by U.S. intelligence and law enforcement agencies, not the military)—the only real major threat to U.S. security in the post-Cold War world. In fact, the large military and the temptation to use it to intervene all over the world actually reduce the security of the U.S. homeland. Therefore, adopting a policy of military restraint and cutting the defense budget would actually enhance security at home.

### ***New Criterion for Determining the Size of U.S. Forces Is Needed***

The virtual invulnerability of the United States allows it to define its vital interests narrowly and intervene militarily only when they are threatened. There has always been—and will always be—instability in the world (although, since the Cold War ended, most indicators have shown that it is declining). In the vast majority of cases, however, instability will not threaten vital American interests. If the United States pursued a policy of military restraint, it could reduce its budget for national defense by half—from \$400 billion to about \$200 billion per year—and still be, by far, the most capable military power in the world.

Adopting a policy of military restraint would allow the United States to size its forces to fight one major theater war instead of two concurrently, as envisioned by the Pentagon. Even that reduction in forces would provide some hedge against uncertainty. Acting as a “balancer of last resort,” the United States would assist other nations in shoring up a deteriorating balance of power only in such critical regions as Europe and East Asia (the areas of the world with large concentrations of economic and technological power). Like-minded nations in the affected region would provide most of the ground forces and some air forces; the United States would also provide air power—its comparative advantage. U.S. air power could quickly be dispatched to help friendly nations halt the offensive of a serious aggressor state. Some U.S. ground forces eventually might be needed to help retake lost territory, but that is a remote possibility that should not be considered a high-priority mission.

### ***Optimal U.S. Force Structure***

The Department of Defense’s 1993 Bottom-Up Review (BUR) allocated a block of forces to conduct one major regional conflict. The block

consisted of 4–5 Army divisions, 4–5 Marine brigades (between 1 and 2 divisions), 10 Air Force wings, 100 heavy bombers, and 4–5 aircraft carrier battle groups. Prudent military planning might require that this “one war” force structure be augmented to add even more cushion for unforeseen circumstances. Thus, an optimal force structure can be created that still saves money. That force structure would consist of 5 active Army divisions (down from 10 now), 1 active Marine division (reduced from 3 now), 14 Air Force air wings (down from 20 now), 187 heavy bombers (down only slightly from 208 now), 200 ships (down from 317), 6 aircraft carrier battle groups and 6 Navy air wings (reduced from 12 and 11, respectively), and 25 nuclear-powered attack submarines (down from the current force of 55 vessels). See Table 51.1

In this alternative force structure, ground forces—the Army and the Marine Corps—have been reduced more than the Air Force and Navy. Such a shift of emphasis makes sense for a nation that faces no threat from an invading ground force. There are long distances between the United States and any potential adversary. With a small standing army, more reliance would need to be placed on the National Guard and the Reserves. In the case of the rare, large-scale war in a foreign theater that requires substantial ground forces to win back lost territory, plenty of time will be available to mobilize the forces of the National Guard and the Reserves.

**Table 51.1**  
**Proposed Cuts in U.S. Military Forces**

Force Component	Planned Force	Optimal Force Structure	Percentage Reduction
Active Army divisions	10	5	50
Active Marine divisions	3	1	67
Air Force tactical fighter wings	20	14	30
Air Force heavy bombers	208	187	0
Total Navy ships	317	200	37
Navy aircraft carrier battle groups	12	6	50
Navy carrier air wings	11	6	45
Nuclear-powered attack submarines	55	25	55

SOURCE: Planned force structure from William Cohen, *Annual Report to the President and Congress* (Washington: U.S. Department of Defense, 2001).

A much smaller Marine Corps will also rely more heavily on the Reserves. Although the BUR stated the need for more than one division to fight a major conflict, one existing Reserve division can supplement the active division to meet that requirement. Only one Marine division needs to be active; there has been no large-scale amphibious assault since Inchon during the Korean War. In the post–World War II period, the Marines have most often been used in small-scale interventions in the Third World. Such interventions should be undertaken only rarely.

The Air Force would be cut the least of any service. Air power proved devastatingly effective during the wars in the Persian Gulf and Kosovo, and the United States has traditionally had a comparative advantage in air power. Air Force tactical aircraft should be favored over Navy tactical aircraft because land-based aircraft have a greater range and bomb-carrying capacity (that is, have greater efficiency) than aircraft that operate from carriers.

In any major war, friendly nations can provide land bases from which U.S. aircraft can operate. If such bases become more vulnerable to enemy missile attacks, the United States will need to buy theater missile defenses to protect the bases, purchase short-take-off aircraft that can be dispersed to unfinished airfields, or use long-range heavy bombers that can operate from distant bases in the region. Such measures would be better than relying more on expensive aircraft carriers and naval aircraft. For this reason, the U.S. heavy bomber fleet—which has great range and large bomb-carrying capacity—should be reduced only slightly.

Nonetheless, some aircraft carriers and naval aircraft are needed. Like the Marines, in the post–World War II period Navy carriers have been used primarily to provide forward presence in overseas theaters and for small-scale interventions in the Third World (so-called crisis response). If the United States observed a policy of military restraint, the need for such missions would be rare. Instead, carrier battle groups would sail from the United States and be used to control the seas, to protect American trade if it were threatened, and to provide air power in the rare instance when land bases were not available.

The elimination of the overseas military presence and crisis response missions would allow a substantial reduction in the number of carrier battle groups. Six carrier battle groups would suffice to control the seas and protect trade. The United States—with six carriers—would still have bone-crushing dominance over any other fleet in the world. Although the BUR suggested that four or five carriers would be needed to fight a

regional conflict, there has always been a dispute about whether that number included the carrier at the dock undergoing extensive overhaul. To be conservative, another carrier was added, bringing the total to six.

After the Cold War, the Navy's increased emphasis on providing air support for Marine amphibious assaults made Marine air wings redundant; such air wings should be eliminated.

The demise of the Soviet nuclear attack submarine fleet would allow the United States to cut its attack submarine force by more than half, from 55 to 25.

### ***Cut Unneeded Weapons Systems***

Many weapons the Pentagon is currently procuring were originally designed during the Cold War (for example, the Marine Corps' V-22 tiltrotor aircraft). Some weapons now in development entered that process during the Cold War and were to be used against a threat that is now gone or never came to fruition (for example, the Army's Comanche helicopter and the Air Force's F-22 fighter). In addition, the tradition-bound military services are buying successors to Cold War systems (for example, the Navy's Virginia-class submarine and F-18E/F aircraft). Some weapons are too costly (for example, the F-22). Finally, both the executive branch and Congress build unneeded weapons to dole out pork to inefficient defense industries and favored congressional districts. Thus, inertia, tradition, and pork undermine the rational development and procurement of weapon systems. Congress should terminate or reduce procurement of the following "white elephant" weapons.

#### ***F-22 Raptor and F/A-18E/F Tactical Fighters***

The current generation of American aircraft (the Air Force's F-15 and F-16 and the Navy's F-14 and F-18C/D) will enjoy crushing air superiority over all other air forces for the foreseeable future. According to Eliot Cohen, director of the Strategic Studies Program at Johns Hopkins University and an acknowledged expert on air power, "There's not anybody who's going to be comparable to us for as long as you can see."

But the U.S. military services are currently developing or purchasing three new fighter aircraft (the Air Force's F-22, the Navy's F/A-18E/F, and the multiservice Joint Strike Fighter) at a cost of about \$340 billion. The three new fighter aircraft alone will consume a quarter of the Pentagon's annual budget for procuring new weapons and "crowd out" the purchase of weapons that should have a higher priority—for example, a

modestly priced replacement for aging U.S. bombers. Thus, two of the three aircraft—the F-22 and F/A-18E/F—should be terminated or purchased only in drastically reduced numbers.

The Air Force designed the stealthy F-22 aircraft primarily to fight futuristic Soviet fighters that were never built. The F-22 would replace the best air superiority fighter in the world today—the F-15C. The United States could maintain its current dominance of the skies well into the future using upgraded F-15Cs, superbly trained pilots, new munitions, and Airborne Warning and Control System aircraft (the best aircraft in the world for management of air battle and a potent force multiplier). No current or future threat to U.S. air superiority exists that would justify spending nearly \$63 billion for 341 F-22 aircraft. As a result, the aircraft will probably be used mainly for air-to-ground attack, which it is not optimally designed to do. (Besides, the United States already has the F-117 and B-2 planes to perform stealthy ground attack missions.) At nearly \$200 million for each aircraft, the F-22 is the most expensive, least needed fighter ever built.

Although the F/A-18E/F is an entirely different aircraft than the F/A-18C/D, it is not much of an improvement for about double the price (\$86 million for each E/F model). For example, although the E/F has a longer range and greater payload than the C/D, it still has a shorter range and smaller payload than the retired A-6 attack aircraft at a time when the aircraft carrier is being pushed farther out to sea by enemy mines, cruise missiles, and diesel submarines. Because the air-to-air threat environment is so low, the C/D model will most likely suffice for future air defense of the fleet until the stealthy Navy version of the Joint Strike Fighter comes on line. If a ground attack aircraft with longer range and greater payload is needed before the stealthy Navy Joint Strike Fighter is ready, a special naval version of F-117 Nighthawk might provide an interim capability.

### *Virginia-Class Submarines*

With the demise of the Soviet Union and the Russian submarine fleet rusting in port, the existing U.S. force of Seawolf and 688 Los Angeles-class vessels is unquestionably the best in the world and will remain so for the foreseeable future. No other navy in the world even comes close to U.S. undersea power. But the Navy has already begun constructing 30 new Virginia-class submarines (at an average cost of \$2.2 billion per ship) and decommissioning older 688 boats before their useful life is over. The Virginia-class submarines will, in most respects, be

less capable than the Seawolf-class—in size, speed, diving depth, and weapons capacity.

According to the U.S. General Accounting Office, the Navy could retain its goal of 55 submarines in the force by merely refueling the nuclear reactors of the older 688 boats. Moreover, the Navy justified hiking its force goal from 50 to 55 submarines on the basis of increased requirements for intelligence collection. During the Cold War the main target of intelligence gathering by U.S. submarines was the Soviet fleet. Because most of that fleet does not get out of port much anymore, the Pentagon has added more countries to the list of reconnaissance targets. Yet justifying the 55-boat goal on the basis of collecting intelligence is questionable. With the end of the Cold War, conventional threats to the U.S. Navy and the United States declined and so should have requirements for gathering intelligence on such threats; instead they have doubled since 1989. Although, in certain instances, the submarine can provide unique collection capabilities, the United States has many other more versatile assets for spying—for example, manned and unmanned aircraft and satellites—that can perform missions less expensively than \$2 billion submarines and are not limited to collection in littoral areas. The United States should reduce its submarine goal and terminate the Virginia-class line.

### *The V-22 Tiltrotor Aircraft*

The V-22—which takes off (and lands) like a helicopter, then tilts its rotors and flies as a fixed-wing aircraft—transports Marines and their light equipment from amphibious ships to shore. The aircraft can go faster and farther than a CH-53 heavy-lift helicopter but cannot carry the heavy equipment the CH-53 can.

The V-22 program has been troubled by crashes and is 10 years behind schedule and \$15 billion over budget. In the 1980s and 1990s, senior officials from the Reagan, Bush, and Clinton administrations, including Secretary of Defense Dick Cheney, recommended that the aircraft be cancelled. Because of the exorbitant cost of the aircraft, the first Bush administration tried to terminate the program, but Congress reinstated it. The V-22 is truly an albatross.

At more than \$100 million per V-22 aircraft, transporting Marines and equipment to shore by air could be done much more cheaply by buying new versions of existing CH-53 rotary aircraft or even smaller helicopters like the Blackhawk CH-60. Besides, against a capable opponent, if faster V-22s transport Marines and their light equipment inland behind enemy



lines and if slower CH-53s carry their heavy equipment, the Marines may die before the heavy equipment reaches them.

### ***Some Savings from Cutting Unneeded Weapons Could Fund More Critical Needs***

Canceling the F-22 Raptor, the F/A-18E/F Super Hornet, the V-22 Osprey, and the Virginia-class submarine programs could save \$12.2 billion in procurement and research, test, and development (RDT&E) costs in the FY05 defense budget and more than \$170 billion in future program costs.

Some of the savings generated by cutting unneeded weapons could be used to fund research, development, and procurement in areas that the services usually neglect: Special Forces, long-range bombers, unmanned aerial vehicles, defenses against cruise missiles, technology to detect and neutralize sea mines, and equipment to protect against attacks with biological and chemical weapons (Table 51.2). The war in Afghanistan showed that long-range bombers were devastating when guided to their targets by information from unmanned aerial vehicles and Special Forces on the ground. Much has been invested in defending U.S. forces against ballistic missiles; less effort has been put into defending troops against attacks from cheaper and more effective cruise missiles. More and more terrorists and countries are working on weapons of mass destruction, so more should be invested in defending U.S. forces and civilians at home from biological and chemical weapons. The Navy has neglected capabilities that can detect and neutralize sea mines, which can be devastating to naval operations. Because great advancements can be achieved for small amounts of funding in most of those areas, the remainder of the savings from cuts could be returned to the taxpayer.

Savings achieved through decommissioning some military units and their existing equipment could be supplemented by savings accruing from canceling new weapons systems, currently in development or production, that are either unneeded in principle or relics of the Cold War. Some of those savings could be returned to taxpayers through reductions in the defense budget and some could be reallocated to increase funding for previously neglected, but important, military missions.

### ***Terminate All Peacekeeping and Overseas Presence Missions***

Peacekeeping and overseas presence missions (U.S. troops stationed overseas and regular naval deployments in overseas theaters) have nothing

**Table 51.2**  
**Weapon Systems to Terminate or Cut and Missions and Weapons**  
**That Need Increased Funding**

Weapon or Mission	Function	Service
<i>Weapon Systems to Terminate or Cut</i>		
F-22	Air superiority fighter	Air Force
F/A-18E/F	Carrier-based fighter attack aircraft	Navy
Virginia-class submarine	Attack submarine	Navy
V-22	Tiltrotor transport aircraft	Marine Corps
<i>Neglected Missions and Weapons in Need of Increased Funding</i>		
Unmanned aerial vehicles	Reconnaissance, strike, etc.	All
Heavy bomber (R&D)	High-capacity, long- range bomb delivery	Air Force
Special Forces	Intelligence gathering, commando attacks, designation of targets	Army, Navy, Air Force
Cruise missile defenses	Defend U.S. forces against cruise missiles	Army, Marine Corps
Mine countermeasures	Detect and neutralize sea mines	Navy, Marine Corps
Chemical and biological defense	Defend forces and civilian population	All

to do with safeguarding vital U.S. interests. In the more benign security environment of the post-Cold War world, such missions only discourage wealthy U.S. allies from spending the resources needed to provide for their own security. Furthermore, those missions lower morale of U.S. forces and consume resources and time that should be used for training to fight wars and to deploy from the United States in the rare cases in which a foreign conflict threatens U.S. vital interests.

## **Benefits of Adopting the Alternative Defense Posture**

Adopting a foreign policy of military restraint overseas, buying the forces needed to fight one regional war, and reducing the budget for national defense by more than a third would help to keep the United States out of unnecessary foreign wars. Such potential quagmires have little to do with vital American security interests and incur exorbitant costs—in both resources and American lives (both those of U.S. military personnel overseas and those of civilians at home, who will be the victims of terrorist attacks in retaliation for an interventionist American foreign policy). A smaller military would also help safeguard U.S. liberties at home.

### **Suggested Readings**

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- . "Tilting at Windmills: Post–Cold War Military Threats to U.S. Security." Cato Institute Policy Analysis no. 332, February 8, 1999.
- Isenberg, David, and Ivan Eland. "Empty Promises: Why the Bush Administration's Half-Hearted Attempts at Defense Reform Have Failed." Cato Institute Policy Analysis no. 442, June 11, 2002.
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