



Defense Budget Remains Likely Target For Deficit Reduction

By DONNA CASSATA – November 12th, 2012

WASHINGTON -- One war is done, another is winding down and the calls to cut the deficit are deafening. The military, a beneficiary of robust budgets for more than a decade, is coming to grips with a new reality – fewer dollars.

The election accelerated an already shifting political dynamic that next year will pair a second-term Democratic president searching for spending cuts with tea partiers and conservatives intent on preserving lower tax rates above all else, even if it means once unheard of reductions in defense.

President Barack Obama and Congress have just a few weeks to figure out how to avert the automatic cuts to defense and domestic programs totaling \$110 billion next year. Those reductions are part of the so-called fiscal cliff of expiring Bush-era tax cuts and the across-the-board cuts that Defense Secretary Leon Panetta has warned would be devastating to the military.

All sides are trying to come up with a deficit-cutting plan of \$1.2 trillion over 10 years. Any solution that might emerge from the high-stakes negotiations before the Jan. 2 deadline likely would include some reductions in the military budget, which has nearly doubled in the last decade to half a trillion dollars. That amount doesn't include the hundreds of billions of dollars spent on the wars in Iraq and Afghanistan.

Projected defense spending over the next 10 years was expected to grow to \$640 billion.

In the parlance of Willie Sutton, who supposedly said he robbed banks because that's where the money was, the military budget is where the dollars are for Washington negotiators.

"It is a big piggybank," said former Wyoming Sen. Alan Simpson, a Republican who along with Democrat Erskine Bowles had recommended \$4 trillion in budget cuts over a decade, including deep reductions in defense, as part of a special presidential commission in December 2010.

"If you can't get in there and start getting stuff out of there when you have a defense budget of \$740 billion bucks – and the defense budget of every major country on earth, 17 of them, including Russia and China, is \$540 billion combined. Who is joshing who," said Simpson. "That's madness, madness."

One possible starting point is the recommendation of Senate Armed Services Committee Chairman Carl Levin, D-Mich., who indicated earlier this year that he would be willing to accept additional defense cuts of \$10 billion a year as part of any solution to avoid the across-the-board cuts.

"I think it's got to be all one package, and defense has to participate. Everything has to be on the table," said former Sen. Sam Nunn, D-Ga., a predecessor of Levin at the helm of Armed Services who also insisted that the rising cost of Social Security and Medicare needs to be addressed.

Nunn pointed out that former Defense Secretary Bob Gates and retired Adm. Mike Mullen, who was chairman of the Joint Chiefs of Staff, have said the greatest threat to national security is the nation's fiscal crisis.

In past negotiations, Congress and the White House had considered changes in the military's TRICARE health program, which costs more than \$50 billion and has exploded into the biggest entitlement program for the Pentagon. Working-age military retirees have only seen small increases in their premium costs as their friends in Congress have fought any changes.

The Pentagon budget already is facing a 10-year reduction of \$487 billion in projected spending, the result of the budget agreement reached by Obama and Congress in August 2011.

The days of staunch defense hawks in Congress easily turning back efforts to cut military spending are gone as war fatigue even has reached the fiercest guardians of military spending.

In September, Rep. C.W. Bill Young, R-Fla., chairman of the House Appropriations subcommittee that oversees defense spending, said the United States should withdraw its forces from Afghanistan. The current timetable calls for U.S. combat troops to be out by the end of 2014.

"We're killing kids who don't need to die," Young said in an interview with the editorial board of the Tampa Bay Times.

One of the most telling but little-noticed votes this past year came in the House, where a coalition of Democrats led by liberal Rep. Barney Frank, D-Mass., and Republican Rep. Mick Mulvaney, R-S.C., combined forces to persuade lawmakers to freeze defense spending at the current level, cutting \$1.1 billion from the \$608 billion bill.

The vote was 247-167, with 89 Republicans joining 158 Democrats. It was the clearest signal yet that defense dollars were no longer spared from budget cuts in a time of astronomical deficits.

"Austerity to me means spending less," Mulvaney said at the time. "Total government spending will be up this year. We're still facing a \$1 trillion deficit. We need to do better to get our spending under control."

Conservatives from anti-tax leader Grover Norquist to Rep. Jim Jordan, R-Ohio, chairman of the Republican Study Committee, have spoken openly about defense cuts. Norquist, president of Americans for Tax Reform, has rejected the oft-repeated Republican contention that defense spending means jobs.

In an interview with the Cato Institute several months ago, he talked of combating "the idea that the Defense Department is a jobs program."

John Isaacs, executive director of Council for a Livable World and Center for Arms Control and Non-Proliferation, said Republicans are split on defense spending and Norquist speaks for many of Congress' tea partyers.

"I think the tide has kind of turned in some ways against defense thanks to the tea party. They're so much against any kind of spending that they don't exclude defense from that," Isaacs said.

Absent from the next Congress will be many of the protectors of the Pentagon – 18-term Rep. Norm Dicks, D-Wash., Sen. Jim Webb, D-Va., and Sen. Joe Lieberman, I-Conn.