

Embracing Sequestration

http://www.youtube.com/watch?v=s-nB6zQu9Mw&feature=player_embedded

As defense hawks [scramble](#) to avert military budget sequestration, others are championing sequestration as a positive development. The Cato Institute, in a new [video](#) (above), makes the case that sequestration represents a more realistic approach toward cutting the deficit than any possible action by Congress. Christopher Preble [pours cold water](#) on the notion that the across-the-board cuts are “draconian” (or in [John McCain’s words](#), a thing that would “literally” lead to an “inability to defend the nation”), as the defense budget would merely return to 2006-2007 spending levels and would take effect only for a year:

Every year after that, defense spending will increase. Spending levels will indeed be lower than the Pentagon last year expected them to be. But only in Washington is that considered a cut. So, under sequestration, instead of spending \$5.7 trillion on defense over the next decade, as the FY2013 budget suggests, the government will spend about \$5.2 trillion.

Sequestration would only reduce the amount of the expected defense growth for subsequent years. What’s more, Preble emphasizes that even with sequestration, Congress will have room to maneuver:

Congress has a few options to mitigate the effects of the initial \$55 billion slice off the budget. They could reprogram funds after the sequester, change the definition of “programs, projects and activities” (the budget level at which the cuts are implemented), or take advantage of the flexibility within operations and maintenance (O&M) funds. In fact, because the Office of Management and Budget has declared that war spending is eligible to be sequestered, the total cuts to O&M can be spread out across a bigger pot of money. Beyond all that, sequestration does not affect outlays or funds already obligated, which means it will not affect existing contracts.

Though, as Dan Mitchell mentions in the video, there is an argument to be made about equitability, as military spending represents only a quarter of the total budget, but 50% of the sequestered cut. Perhaps this is a reason to take entitlement reform more seriously, rather than an argument against a post-Cold War defense budget. Jon Utley recently [outlined](#) eight ways in which the Pentagon can meaningfully cut “fat, not meat.” Jordan Bloom [relished](#) sequestration schadenfreude last week.