

Forbes

Republicans Mislead Their Base With Handwringing Over Sequester Defense Cuts

By: Doug Bandow – March 4, 2013

Over the last decade the Republican Party put militarism before limited government. The Bush administration foolishly invaded Iraq. Presidential candidates John McCain and Mitt Romney sounded even more extreme. GOP politicians denounced the coming budget sequester for reducing military as well as domestic outlays.

However, conservative Republicans are beginning to acknowledge that the Defense Department, too, wastes money. And that the U.S. must take drastic steps to reign in government spending, deficits, and debt. Explained Rep. Tom Cole (R-OK): “Fiscal questions trump defense in a way they never would have after 9/11.”

No doubt, the sequester is a blunt, inefficient, arbitrary, even stupid way to cut outlays. Defense Secretary Chuck Hagel complained of the consequences “when managers are not given the flexibility and the opportunity and the tools to manage, with complete uncertainty as to what’s ahead.”

However, the results need not be disastrous, as some Pentagon officials claim. Simply allowing the Pentagon to transfer money among accounts would moderate the impact.

Moreover, the Defense Department is playing the usual Washington game of threatening to make ostentatiously unpopular reductions. Noted columnist George F. Will: “the Navy is saying it cannot find cuts to programs or deployments less essential than the [aircraft carrier USS] Truman deployment. The Navy’s participation in the political campaign to pressure Congress into unraveling the sequester is crude, obvious and shameful, and it should earn the Navy’s budget especially skeptical scrutiny by Congress.”

Much money could be saved through better management, which would be warranted with or without the ongoing budget crisis. It is a scandal that the Pentagon’s books long have been essentially impossible to audit.

However, the far greater problem is over-ambitious DOD objectives. Defense is a core constitutional responsibility for the federal government, but that means protecting America, not the rest of the globe.

Congress should rethink American foreign policy. And then reduce outlays accordingly. Secretary Hagel understands, explaining that “The current strategy could not be met with the significantly diminished resources that sequester would impose,” meaning that the Defense Department would “need to revise” its approach.

The Pentagon budget is the price of America's foreign policy. If Washington hopes to run the world, it must maintain a large and expensive military. That is why the U.S. accounts for close to half of the globe's military outlays. In real terms Washington has been spending more on the military than during the Cold War, Korean War, or Vietnam War, all out of proportion to the current threat environment. If U.S. policymakers were content to defend America, they could maintain a much smaller force.

Washington's principal objective should be to defend America—its people, territory, and constitutional liberties. In some narrow circumstances, such as World War II and the Cold War when either the German Nazis or Soviet Communists could have ended up dominating Eurasia, America's interest may warrant defending other states. But not today.

In fact, little what the Department of "Defense" now does actually relates to America's defense. On 9/11, when the U.S. found its homeland under attack for the first time since World War II, the Pentagon essentially was helpless. DOD is better prepared to protect dozens of nations around the globe than America.

This policy grew out of the early years of the Cold War, when Washington's war-ravaged allies were threatened by hegemonic communism. But now there's no there there, as Gertrude Stein once said of Oakland. Washington dominates the globe, far superior to any adversary, potential adversary, or collection of adversaries and potential adversaries. Moreover, the U.S. is allied with every major industrialized state, save China and Russia. Indeed, those friendly states are able to defend themselves from potential threats. As Colin Powell, then Chairman of the Joint Chiefs of Staff, observed in 1991, "I'm running out of demons. I'm running out of enemies. I'm down to Castro and Kim Il-sung."

America faces one significant security threat: Terrorism. Terrorism is a vicious, monstrous crime, but, thankfully, it poses no existential threat to the U.S. Al-Qaeda and allied groups do not possess nuclear-tipped ICBMs, carrier groups, air wings, and armored divisions. With luck and facing an unprepared foe, terrorists killed 3,000 Americans more than a decade ago. But Osama bin Laden found a repeat performance to be impossible. The "Global War on Terror" is not the equivalent of World War III.

Terrorism remains a serious concern, but it is not amenable to solution by America's traditional military tools. Washington's modest post-Cold War drawdown did not cause 9/11. In contrast, the Bush administration's promiscuous war-making exacerbated terrorism by creating more enemies of America. Recognizing that bombing and invading other states have ill consequences in no way justifies terrorism. However, a smaller international presence would reduce the size of the target on Americans' backs.

Washington has no other vital military duties of note. Economic interests are real but rarely warrant war. Stability may be a geopolitical virtue, but does not justify a neo-imperial American global presence. Nation-building reflects the triumph of hope over experience, the belief that the Pentagon can overcome significant differences in history, tradition, religion, ethnicity, and more to remake other societies.

Saving lives is appealing, but war is a poor humanitarian tool, witness Iraq, in which a couple hundred thousand Iraqis died as a result of the U.S. invasion. Moreover, American military personnel should not be treated as gambit pawns in a global chess

game for the benefit of Washington's warrior wannabes, whatever the latter's professed objectives.

As a result, there is no warrant for preserving what amounts to America's Cold War military: numerous global alliances, hundreds of military installations, and hundreds of thousands of military personnel around the world.

The U.S. does not need a large army: a foreign invasion is about as likely as a Martian attack. America's navy has as many capital ships as the next 13 nations combined, 11 of which are friendly; America's allies alone have many more aircraft carriers than do America's potential adversaries (one each for China and Russia). Washington could retain air superiority with a smaller force structure.

The worst argument for military spending, offered by Republican politicians who otherwise express skepticism about government "stimulus" spending, is that cutting outlays would destroy jobs. If economic growth is the objective, the money should be left in private hands for saving and investment.

Government is far better at reallocating than creating economic growth. Building bombs which we hope never to use is an especially inefficient way to "create" jobs. Explained economist Ben Zycher, the economic literature "suggests strongly that increases in defense spending (and government spending more generally) have effects on GDP that are offset by reductions in other economic activity."

In any case, Washington no longer can afford to play the role of globo-cop. After four years of trillion dollar plus deficits, the 2013 deficit is expected to be "only" \$845 billion. The Congressional Budget Office estimates that Washington will run up at least another \$7 trillion in red ink over the coming decade. America's current \$16.5 trillion national debt is just the start; total debts plus unfunded liabilities run more than \$220 trillion.

The Pentagon is the second largest federal expenditure, trailing only Social Security. Military outlays account for a smaller percent of the GDP than during World War II or the Cold War, but America's current GDP is 15 times as large as in 1940 and more than 11 times as large as in 1950. Thus, in terms of real resources the 4.6 percent of GDP devoted to the military last year was equivalent to 68 percent of the 1940 GDP.

Entitlement outlays will grow more quickly than military expenditures in coming years, but that only highlights the importance of challenging unnecessary spending of all sorts, including for the military. The fact that government devotes too much to Social Security is no argument for spending too much on the military. With the threat of runaway deficits, debts, and interest payments, the U.S. cannot afford any budget sacred cows. Even House Majority Leader Eric Cantor, a hawkish conservative, admitted: "we've got to have everything on the table right now."

Indeed, financial strength is essential to national security. America's wealth does not insulate it from the risk of imperial overstretch. Washington cannot forever afford to subsidize wealthy allies, remake failed societies, overthrow authoritarian regimes, rescue warring peoples, and promote geopolitical stability. Especially when vital American interests are not at stake.

Despite the despairing rhetoric of Republican hardliners, the sequester is but a scalpel when a meat-ax is required. Real, inflation-adjusted expenditures jumped 76 percent during the Bush administration. They continued rising, though less swiftly, during the Obama administration. And military outlays are projected to *increase* over the coming decade, remaining constant in real terms, despite Washington-style “cuts” which merely slow the projected rise in spending.

Yet expenditures should come down naturally with the end of the Iraq war and imminent end of combat operations in Afghanistan, which together ran around \$150 billion a year. If fully applied, figures Veronique de Rugy of the Mercatus Center, the sequester will only reduce real outlays to the 2006 level. That will still be greater than spending during the Cold War, when there was a Soviet Union, Warsaw Pact, and Maoist China. America would not end up as a “second rate power,” as claimed by former DOD chief Leon Panetta.

No politician likes to make difficult decisions. Most prefer not to cut spending because doing so would anger someone somewhere. Hence the sequester, an automatic process which makes it easier for individual legislators to avoid taking responsibility for reductions which many, if not most, recognize are necessary.

Washington is on an “unsustainable” fiscal course, warned the Congressional Budget Office. Hard decisions are required to change that. Which means big spending cuts. Including at the Pentagon.