

## Will fiscal, military hawks clash?

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Despite increasing bipartisan calls to cut defense spending to help ease the nation's skyrocketing budget deficit, any substantial reductions in the Pentagon's war chest are very likely several years away.

In his State of the Union address to a joint session of Congress on Tuesday night, President Barack Obama gave a nod to reductions proposed by Defense Secretary Robert Gates. Meanwhile, Sen. Jeff Sessions (R-Ala.) and other perennial champions of defense spending are being moved by rising tea party ire to support cuts.

But amid a dizzying array of budget proposals — including those by freshman Sen. Rand Paul (R-Ky.) and Reps. Barney Frank (D-Mass.) and Duncan Hunter (R-Calif.) — defense insiders say the most likely near-term outcome is more of the same.

Even Gates's proposals to trim \$78 billion are rolled out from fiscal years 2012 to 2016. Actually, his plan would boost defense spending until 2015, when it flattens out.

But the rhetorical shift in Congress is dramatic. Following calls by Senate Minority Leader Mitch McConnell (R-Ky.) and House Majority Leader Eric Cantor (R-Va.) to put the defense budget "on the table" for cuts, Sessions, a veteran member of the Senate Armed Services Committee, is burnishing his credentials as ranking Republican on the Senate Budget Committee, and even he says it's time for the Pentagon to trim its sails.

“Nothing is immune,” Sessions told POLITICO. “Defense will take some reductions.”

Democrats are on board as well. Rep. Adam Smith of Washington, ranking Democrat on the House Armed Services Committee, said during a committee hearing Wednesday that the nation’s security will depend in part on the strength of the economy and that because defense represents such a huge chunk of the overall federal budget, it should not be spared.

He acknowledged, however, the difficulties ahead — not just in agreeing to the principle of reductions but also in managing the details.

“One person’s waste is another person’s income,” Smith said. He also had Deputy Defense Secretary William Lynn point out that the defense budget has nearly doubled since 2001.

But the chief question is exactly when any new reductions might take place, as the Republican leaders of the Senate and House Armed Services committees and others dig in to protect the overall size of the defense budget.

Arizona Sen. John McCain, ranking Republican on the Senate Armed Services Committee, said the total defense budget should remain stable, while it’s scoured for inefficiencies and program “mismanagement.”

“We’ve got an F-35 that’s more than double the cost than originally estimated,” McCain said, referring to the Joint Strike Fighter. The Pentagon also plans to buy two versions of the Littoral Combat Ship and to cancel an amphibious ship because of “dramatic cost overruns,” he added.

In the House, Rep. Buck McKeon (R-Calif.), new chairman of the Armed Services Committee, has been actively talking with Speaker John Boehner (R-Ohio) and other leaders about exempting national security spending from the GOP's deficit-reduction efforts. He's had help from Rep. Jerry Lewis (R-Calif.), who once led the House Appropriations Committee, and Rep. Todd Akin (R-Mo.), who recently moved to the Budget Committee to make sure there is an advocate on the panel for spending 4 percent of gross domestic product on defense.

"What concerns me most about the current proposals are the plans to reduce Army and Marine Corps end strength and the reduction of an additional \$78 billion from the [Defense] Department's funding top line," McKeon said in the hearing Wednesday. "I intend to pursue the impact of this decision by the administration."

With Republicans split over their own path forward and disagreeing even more with Democrats over domestic spending, the defense budget will most likely stay right where it is for this fiscal year, leaving bigger fights for 2012 and beyond, as Gates recommended.

Defense insiders say a likely logjam over the size of the overall budget will force Congress to extend the current continuing appropriations resolution for the rest of this fiscal year, ending Sept. 30.

An earlier version of the resolution that failed last year contained funding for congressional add-ons for big-ticket items such as the second engine for the F-35 Joint Strike Fighter, billions of dollars to buy C-17 transports and scores of other items.

The resolution would have granted the administration wide latitude to spend the add-ons, which totaled \$11.6 billion, according to a Senate aide. If a similar version to fund the Pentagon for the rest of the fiscal year were to pass, the Pentagon would gain enormous flexibility to spend the money previously allocated to earmarks — and it would get an additional \$120 billion in war funding.

“That’s the Willy-Wonka-gold-ticket candy bar,” a defense lobbyist said. Even if the Pentagon were to publicly complain about that scenario, the lobbyist added, the department would have in effect received an additional \$3 billion more than it would have gotten had Congress passed its own defense appropriations bill.

“I don’t think this is all that bad,” the lobbyist said. “I could make a great glass of lemonade with those lemons.”

At the libertarian Cato Institute, defense research fellow Ben Friedman wrote this week that tea party-backed freshmen aren’t necessarily signing on to deep reductions in defense and that efficiencies aren’t likely to produce the kinds of cuts that can make much of a dent in the nation’s staggering deficit.

Even if congressional newcomers haven’t yet made public statements, they’ll soon have to take a stand, Friedman said.

Friedman told POLITICO he hopes the support of congressional leaders for defense cuts will eventually provide the momentum for change.

“The efficiency thing is like a gateway drug,” he said. “My hope is that that sort of thing leads you to make real cuts.”

