



Close

Defense Boosters Playing Defense On Debt Deal

By Jen DiMascio, Michael Bruno



When it comes to supporting the latest deal to cut federal spending and raise the U.S. debt ceiling, Republicans on the House panel that authorizes defense spending are totally divided.

They may be emblematic of right-leaning politicians and pundits across the capital — a prospect that has some hawks worried that the Pentagon is not in the clear from further budget slashing.

Rep. Buck McKeon (R-Calif.), chairman of the House Armed Services Committee (HASC) and a close ally of House Speaker John Boehner (R-Ohio), is supporting the July 31 plan that aims to cut up to \$850 billion in planned spending at security agencies including the Homeland Security Department and intelligence. But others on the committee remain either undecided or are firmly against the plan, citing their opposition to the way it handles defense cuts.

"I don't like this," says Rep. Randy Forbes (R-Va.), chairman of the HASC readiness subcommittee, in describing his firm "no" vote.

The spectrum of opinion may stem from the lack of firm details on just how hard the Pentagon would be hit — particularly in fiscal 2012. According to a White House fact sheet, the bill would direct \$350 billion in cuts at security agencies over 10 years. The president would form a bipartisan commission to find an additional \$1.5 trillion in deficit reduction. And if Congress fails to act, it would trigger another \$500 billion cut to security spending — but one that is more likely to fall harder on the Pentagon.

Still, Harrison Moar, an analyst with the libertarian Cato Institute, is not convinced, even with the supposed \$350 billion floor. "They get there, dubiously, by projecting security spending at the capped level across the decade, even after the caps expire, and counting as savings the difference between that spending trajectory and what [the Congressional Budget Office] now projects," he said Aug. 1. "They are also assuming that all the savings go to defense, even though Republicans will try to make the other security categories absorb the pain."

And even if the full \$850 billion in reductions occurred, it is a 15% or so cut in future spending compared with what was planned under President Barack Obama's 2012 budget submission, not including supplemental spending for the wars. "The total savings are much lower, roughly half, if you compare the cuts to what we actually spend now, rather than the increases we were planning on in past planning documents."

Todd Harrison, a budget expert at the nonpartisan Center for Strategic and Budgetary Assessments, delved into the details Aug. 1 as the two chambers began considering the late-weekend deal. If the cap on security spending in fiscal 2012 proposed by the bill before Congress were applied proportionately, the Pentagon could face a \$37 billion cut relative to the president's \$553 billion baseline request, Harrison says. That would bring the new allocation to \$516 billion — or \$14 billion less than the level provided by the House in its defense spending bill for the fiscal year starting Oct. 1.

An additional \$14 billion cut seems in the ballpark of what congressional leaders anticipate.

Rep. Bill Young (R-Fla.), chairman of the House Appropriations defense subcommittee, says he anticipates the cut to defense in 2012 would be a "minimum of \$10 billion and could be more." Nevertheless, Young is supporting the agreement reached July 31 by the White House and congressional leaders. "The agreement is better than I expected we would get," Young says.

And defense insiders have long predicted that the Senate Appropriations Committee could target a cut of \$20 billion plus the amount allocated by the House.

A firm top-line budget number for the Defense Department — and other agencies — may take another month to emerge from the House. Rep. Hal Rogers (R-Ky.), chairman of the full House Appropriations Committee, says new allocations for all government agencies will come in September.

Photo: Architect of the Capitol

The McGraw-Hill Companies

Copyright © 2011 Aviation Week, a division of The McGraw-Hill Companies.

All rights reserved. Terms of Use | Privacy Policy