

# THE NATIONAL INTEREST

## *The New Pentagon Budget: Better, Not Great*

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The changes announced in the Pentagon's new budget [guidance](#) are, from my [perspective](#), mostly good news, but woefully insufficient. They show how even limited [austerity](#) encourages prioritization among weapons systems that suddenly have to compete. A few more budgets like this and we'll be getting somewhere.

The White House has not yet released the actual budget, but the Pentagon yesterday released a new document that explains the minor cuts in line for its slice. The document, unlike all the other defense strategy and guidance documents that have come out in recent years, sticks to plain English, avoids geopolitical gobbledygook, and tells you the budgetary impacts of its assertions. For that alone the Pentagon deserves some credit.

The document claims to be a guide to savings of \$487 billion over ten years. But you only get that figure by counting against past White House budget requests and their associated spending trajectory. We are saving just \$6 billion from fiscal year 2012 to 2013, or [3.2 percent adjusted for inflation](#). If we leave out falling war costs, we have essentially frozen defense spending for two fiscal years (2011 and 2012), letting it grow at about inflation and then slightly slower, respectively. The Pentagon expects defense spending to grow with inflation or faster starting in fiscal year 2014, although their estimates of inflation are [self-serving](#). The new spending trajectory would cut about eight percent from the base budget by the end of the decade. That's from a budget that [doubled](#) in real terms from 1998 until 2012. And some of those savings are not really saved; they have simply [migrated](#) into the war budget. Keep in mind also that those savings are just a [plan](#), one that is [unlikely](#) to last, particularly as presidents and Congresses change.

The biggest change in this budget is the beginning in a reduction of ground forces. The document says we will cut 80,000 troops from the Army and 20,000 from the Marines. The rationale is solid: we are probably not soon going to be committing large numbers of troops into another occupation of a populous country in revolt any time soon. Yet the cut leaves both forces with more personnel than they had prior to the expansion of ground forces that [began](#) in 2008. A real strategic shift away from occupational warfare would entail a bigger drawdown of Army and Marine personnel.

The document also reaffirms the administration's decision to remove two army brigades from Europe, roughly halving our combat presence there. That's good [news](#) given the absence of threat there and our NATO allies' free-riding on U.S. taxpayers. But it only amounts to recommitting to a Bush administration plan. And we are unfortunately adding troops in the Philippines and Australia, at best a useless gesture that may encourage China's military buildup.

The budget also takes a useful step in reducing the amount of tactical air force squadrons by six. Given the precision-revolution in targeting that makes each aircraft far more destructive and the increased navy capability to strike targets from carriers, far bigger cuts in these forces are possible. Oddly, this reduction comes without a planned reduction in the purchase of F-35 Joint Strike Fighters.

Even worse, the Pentagon here reaffirms its commitment to the F-35B—the short-take off and vertical landing versions—taking it [off](#) “probation.” That version is meant to fly on amphibious landing ships to support missions where Marines attack shorelines. But it's hard to imagine such a mission where helicopters are insufficient for air-support and there is no carrier-based aircraft available to help Marines, especially now that the Pentagon is again [planning](#) on operating eleven carriers.

The new version of the global hawk unmanned aerial vehicle is evidence of austerity forcing choices. The Pentagon now wants to cancel it because it is at least as expensive as the U-2 manned aircraft, which accomplishes similar tasks. This budget also usefully endorses the early retirement of some of our airlift capacity and tries to kill a new army ground combat vehicle.

Another positive development is the [request](#) for two new rounds of base closures. This process requires legislation from Congress to form a Base Closure and Realignment Commission (BRAC).

Still, the hard choices here are few. Many were hopeful that budget savings would include cutting our [excessive](#) means of delivering nuclear weapons. But while it delays production of the new ballistic missile submarine and speaks vaguely of a “different” sort of nuclear arsenal, it supports the continuation of the triad. There is still hope on this front, however. The Air Force [plans](#) to build its next bomber initially without nuclear weapons delivery capability, adding it later in development. That amounts to dangling bait for budget cutters. Like the F-35B, the nuclear bomber has an unnecessary mission that a more austere budget would cause us to reconsider

So while the changes in this budget may be the [first step](#) towards a more restrained military posture, including perhaps a strategy of [offshore balancing](#), they are a minor one. A true offshore balancing strategy would involve a greater shift of resources from the Army to the Navy. This budget, by contrast, seems unlikely to end the [traditional](#) budget split where each service gets roughly one-third of the base.

Unsurprisingly, Secretary Panetta used his press conference yesterday to push Congress to amend the Budget Control Act to avoid sequestration, the across-the-board cuts in the Pentagon's budget due next January, which would roughly double the cuts outlined here. I have [argued](#) that these pleas seem to play into Republican's hand in the coming budget negotiations. Readers should also know that the Pentagon could avoid the “meat-axe” nature of sequestration (to use Panetta's language) by budgeting at the level sequestration would accomplish, roughly

\$492 billion, or about what non-war defense spending was in 2007. That would let the Pentagon choose how to make cuts. The strategic insights guiding these minor cuts could be exploited to make those larger ones.