

Strength vs. Stupidity

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The New York Times weighs in this morning with a timely and sensible editorial on military spending [3]. The main focus is on the increasingly outdated pay and benefits system for the nation's troops. Some choice excerpts:

Military pay, benefit and retirement costs rose by more than 50 percent over the...decade (accounting for inflation). Leaving aside Afghanistan and Iraq, those costs now account for nearly \$1 out of every \$3 the Pentagon spends.

Much of that is necessary to recruit and retain a high-quality, all-volunteer military....But current military pay, pension systems and retiree health care benefits are unsustainable and ripe for reform.

[...]

The retirement system is both unfair and increasingly expensive. Most veterans, including many who have served multiple combat tours, will never qualify for even a partial military pension or retiree health benefits. These are only available to those who have served at least 20 years. Those who do qualify can start collecting their pensions as soon as they leave service, even if they are still in their late 30s, making for huge long-term costs.

So far, so good. Two essential points bear repeating.

First, the rise in military spending over the past decade has not been driven solely by the costs of the wars in Iraq and Afghanistan. Pentagon costs are growing, and the rate of growth is rising. Programmatic reform is needed to reign in those costs; avoiding stupid wars won't solve the problem (although it won't hurt).

Second, the current system disproportionately rewards individuals who stay in the service for 20-plus years, and undercompensates those men and women

who serve several tours, but who do not qualify for military retirement. A better system would allow anyone who has served to retain some of what they paid (or what taxpayers paid for them) into a portable retirement account that they control. Private industry has been steadily moving away from a fixed-benefit, pension-style system for years. I have heard the arguments against such a move [4], but I don't find them particularly convincing.

One point from the *Times* editorial, however, calls out for clarification. The editors claim on two separate occasions that current military spending patterns are "unsustainable." They conclude:

The United States already has a comfortable margin of [military] dominance....The Pentagon's ambitions expanded without limit over the Bush era, and Congress eagerly wrote the checks. **The country cannot afford to continue this way, and national security doesn't require it.** (emphasis mine)

The latter point, "national security doesn't require it," is crucial, correct, and should be repeated at every opportunity. The former assertion, "the country cannot afford" it, is false. Repeating that claim plays into the hands of the inveterate hawks who never saw a war, or a weapon system, that wasn't deserving of more lives/money.

The hawks are correct to point out that the United States has in the past, and could in the future, *choose* to spend as much or more on our military. Current spending levels amount to about five percent of GDP (when including the costs of the wars), and military spending as a share of total government spending has been falling steadily for years. According to the hawks, it is *other* spending, or too little revenue [5], that is putting our children and grandchildren into debt.

I wish that the *Times* had spent more time hammering the point that such spending is unnecessary. Contrary to anecdote and the evening news, the international system is remarkably stable and peaceful. The United States need not spend more than we did at the height of the Cold War in order to be secure from most threats. And those few genuine threats to our security could be handled with a smaller, more efficient military—if we offloaded some responsibilities to other countries that have sheltered under the U.S. security umbrella for decades.

The *Times* doesn't directly address that last point. By focusing most of their attention on programmatic reforms to pay and benefits, and a bit on costly procurement of unnecessary weapons, but not enough to the underlying flawed [6] assumptions [7] that drive military spending, the editors contribute to the misconception that the U.S. military should continue to be the world's policeman, and find ways to do this on the cheap.

That is unfortunate. Spending more than we need to doesn't make us stronger. Ignoring our favorable strategic circumstances is simply stupid. We spend too much on our military because we ask our troops to do too much. To spend less, we must do less. The good news is that we can. The bad news is that too few people understand that.