

THE NATIONAL INTEREST

Published on *The National Interest* (<http://nationalinterest.org>)

Source URL (retrieved on Sep 2, 2011): <http://nationalinterest.org/blog/the-skeptics/military-industrial-complex-apsa-edition-part-ii-5841>

Military-Industrial Complex, APSA Edition, Part II

| [More](#)^[1]

|
September 2, 2011

[Christopher A. Preble](#)^[2]

SEATTLE - We had a terrific discussion yesterday here at APSA concerning many different aspects of the military-industrial complex (M-I-C). I'm grateful to the panelists and to those who attended in the audience. Here's a quick summary.

I kicked off by trying to put the speech into a historical context, especially by contrasting Eisenhower's attitudes towards military spending and the private economy with those of Sen. Gerald P. Nye, of North Dakota senator. Nye accused the "Merchants of Death" of dragging the United States into World War I, what he saw as an unnecessary war. Ike obliquely tapped into similar sentiment in his farewell address, but he disagreed vehemently with one of Nye's proposed solutions: remove the profit motive from war by nationalizing all relevant assets. Ike also believed that the nature of the competition with the Soviet Union required a strong and adaptable military; unlike World War I, the Cold War was a necessary war. Still, Ike worried that the nation was in danger of losing its sense of balance, and ignoring the opportunity costs associated with plowing resources from the private sector into the public sector.

Some claim that military spending is a uniquely beneficial form of government spending, and therefore belongs in a separate category. According to this theory, while bailing out banks and car companies is an outrage, spending more than is needed on the military has unique stimulative effects on the economy^[3]. I've heard Justin Logan refer to them as "situational Keynesians." A related argument says that a military is needed, and the beneficial side-effects of spin-off technology more than offsets the potential opportunity costs of too much military spending. Eugene Gholz highlighted a key episode in the aviation industry (that of the Boeing 707 and Convair's 880/990) that revealed why these claims don't always hold up in practice. To oversimplify a great story that Gholz has told elsewhere^[4], the needs and expectations of private buyers are so different from those of the government that companies naturally gravitate toward serving one over the other. Boeing essentially did that, focusing most of their attention on commercial aviation (at least until their purchase of McDonnell Douglas in 1997). Convair tried to do both, and failed.

Michael Desch began by noting his great respect and admiration for Eisenhower the man, but then proceeded to attack one of the central beliefs associated with the M-I-C generally: namely, that the combination of the professional military and interested parties within industry are primarily to blame for an overly aggressive U.S. foreign policy. Nonsense, Mike says. Returning to the case of Sen. Nye, Desch explains that industry was no great enthusiast for World War I, but rather that Woodrow Wilson's liberal ideology drove the United States to enter the war. This same "liberal illiberalism" ^[6] explains why the United States engages in often unnecessary and foolish conflicts abroad to this day.

Andrew Ross picked up on another theme from Eisenhower's speech: the potential corrupting influence that military spending would have on the academy and science. Ross has witnessed first-hand the close connection between the military and higher education, but he questions whether it is as corrupting as the speech suggests. More to the point, Ross asked, what is the alternative? We need a military, and we need industry to service it. He suggested that while this does create an additional class of interested parties who will fight hard to retain their portion of the military budget, it is still possible to reduce military spending overall. A different, more modest, grand strategy might restore a greater sense of balance, especially if the United States succeeds in getting other countries to do more.

According to William Ruger, the problem is not modern liberalism, as Mike Desch said, nor profit-seeking industries, as Nye claimed, but rather the combination of the two. Invoking Bruce Yandle's article "Bootleggers and Baptists" ^[6], Ruger explained that you need both the true believers in a crusading American foreign policy (Desch's liberals) and the interested parties (the military and especially defense contractors) working in tandem in order to sustain a foreign policy that is inconsistent with America's *classical* liberal heritage. That heritage, Will reminded us, is both anti-statist, and anti-militarist. (He even reached back to Aristophanes ^[7] to make his case.) Will saw some potential for a meaningful shift away from our overly interventionist foreign policy and our larger-than-needed military if at least some of the true believers began to question their faith in America's divine mission, and focus instead on a new one: restoring fiscal sanity.

Benjamin Friedman wrapped it all up with a discussion of how pluralism ^[8] (the notion that policy is shaped by politics, which, in turn, reflects the power and interest of different parties within the process), explains the problem of the M-I-C, but also holds out a possible solution. Most policies create interested parties, on both sides of the question. So, for example, anti-smoking advocates will push for a ban on cigarettes in bars, but bar owners will object. There are few countervailing interests when it comes to military spending, but austerity is a good auditor. If military budgets start to come down, this will inevitably pit some beneficiaries against others. (Will Ruger also brought up the potential for greater interservice rivalry). This competition might, in turn, prompt the sort of grand strategic shift to which Andy Ross alluded. It was a familiar meme for Ben, but one that he always carries off well. Yesterday was no exception. I hope that he'll post a better summary of his remarks here at the Skeptics separately.

More by

Source URL (retrieved on Sep 2, 2011): <http://nationalinterest.org/blog/the-skeptics/military-industrial-complex-apsa-edition-part-ii-5841>

Links:

[1] <http://www.addthis.com/bookmark.php?v=250&username=nationalinterest>

[2] <http://nationalinterest.org/profile/christopher-preble>

[3] <http://www.washingtonpost.com/wp-dyn/content/article/2009/01/28/AR2009012802938.html>

[4] http://www.strausscenter.org/system/pdfs/36/original/Enterprise_Soc-2011-Gholz-46-95.pdf?1305043538

[5] http://belfercenter.ksg.harvard.edu/publication/17968/americas_liberal_illiberalism.html

[6] <http://www.cato.org/pubs/regulation/regv7n3/v7n3-3.pdf>

[7] [http://en.wikipedia.org/wiki/Peace_\(play\)](http://en.wikipedia.org/wiki/Peace_(play))

[8] [http://en.wikipedia.org/wiki/Pluralism_\(political_theory\)](http://en.wikipedia.org/wiki/Pluralism_(political_theory))