## DoD's impending crisis a myth, critics say

February 16, 2011

By <u>Jared Serbu</u> Reporter Federal News Radio

Defense Secretary Robert Gates <u>said Monday</u> that operating the Defense Department at continuing resolution funding levels for much longer could mean a <u>crisis for the military</u>.

But several defense spending critics responded Tuesday that the crisis is a myth.

Gordon Adams, a professor of international relations at American University who used to handle Defense programs in the Office of Management and Budget said DoD is perfectly capable of doing what it needs to in a constrained fiscal environment.

"All of the things that the department has already started doing because they know they're operating at a continuing resolution level are exactly the management things you should do if you're facing a declining set of resources over the course of a fiscal year," he said. "You need to delay some contract actions, you need to give shorter notices for permanent changes of station, you need to slow down depot maintenance, you need to slow down real property maintenance. In other words, what the department needs to do to deal with fewer resources is to manage. Can they manage? Yes they can."

From OMB, Adams oversaw some of the Defense drawdowns of the 1990s. He said though the reductions were significant, there were no catastrophic national security consequences.

"To suggest that this is an unmanageable and difficult process or one that puts the department at the edge of crisis I think simply overstates the problem," he said. "We have been in this kind of situation before with deficit reduction at the end of the cold war from 1985 to 1998 when the force came down substantially - 700,000, the civilians came down substantially - 300,000, the procurement went down 50 percent, the whole budget went down 30 percent, both in constant dollars. And we still wound up with a force that, while some thought it was stressed, was still capable of using Saddam Hussein as a speed bump in 2003."

Adams said DoD is continuing to let its past years' force structure dictate its budgetary needs, rather than determining what its core missions are and how much money it needs to complete them. He said the budget philosophy comes down to "last year, plus more" -- a philosophy that he said is incompatible with an austere national fiscal mood and the ending of two wars. He predicted that the Defense budget will have dropped significantly in five years time, rather than the flat budget that Gates envisions for 2016.

Christopher Preble, director of foreign policy studies at the libertarian-leaning Cato Institute said personnel costs were central to DoD's budget, and that the department would have trouble achieving significant savings without a major reassessment of the missions the military performs around the world.

"My argument has always been that finding savings in personnel, in salary and benefits is always going to be a difficult thing," he said. "It's going to be harder still when our force is as stressed as it is today. But the fact remains that while the secretary has proposed to reduce Army and Marine Corps end strength in 2016 after the wars in Iraq and Afghanistan presumably are brought to a close, he has not brought those end strength numbers down to anywhere near where they were at the start of the wars. And they've emphasized that these reductions are conditions-based, they're not saying it's necessarily going to materialize. But I ask, if everything is conditions-based, why would we not go back to at least where we were in 2001?"

Adams said he doubted that DoD would spend the entire fiscal year under a continuing resolution. An appropriations bill being worked on in the House of Representatives this week would reportedly allocate \$533 billion for Defense for the current fiscal year. Adams said he expects the Senate to support that.

DoD comptroller Robert Hale said Monday that such an appropriation would certainly be preferable to remaining under the continuing resolution, but would still not provide enough money to avoid crisis.

"We think we need at least \$540 billion to meet our national security needs effectively. There will be some significant risk," he said.

"I love that," said Preble. "It implies that there are no risks anywhere in DoD's budget ever. They are using this as a lever to try to force action in Congress, but at the same time they are planning to deal with the budget as they have it, as they should. I just don't buy into this argument."

Larry Korb, a former assistant secretary of Defense in the Reagan administration who is now a senior fellow at the Center for American Progress conceded that a full-year continuing resolution would be a management challenge for DoD, but not necessarily because of the lower dollar amount. "I thought what was astounding in Gates' press conference was when he talked about the fiscal year 2011 budget being cut to \$526 billion, and that that would be catastrophic," he said "That was basically the number that President Bush had projected for 2011 when he left office. And when you go back and look historically, Congress normally cuts at least that much from every budget."

Gates and Joint Chiefs of Staff Chairman Michael Mullen will appear before the House Armed Services Committee Wednesday to defend their <u>spending request</u>. The committee's chairman, Buck McKeon R-Calif.), has also expressed concern about DoD's spending plans, but for different reasons. He has said he has significant concerns that the Pentagon's five-year spending plan is too small.