

Thursday, April 7, 2011

Rep. Paul Ryan's Budget Sets Stage for Much Needed Defense Reforms

Colin Clark has a story today for AOL News discussing the protections Republicans made for defense spending leading up to the release of the recently announced Paul Ryan budget plan. I have not taken a close look at the Paul Ryan budget details, but I am very encouraged that someone in Washington DC has become serious about the federal government fiscal situation and has put together a serious plan.

We have all been following various sources for coverage of the Paul Ryan budget release, and for me <u>I've been watching Andrew Sullivan</u>, who predictably, has been brilliant in recognizing that this is a serious plan for serious people during serious times. Sullivan has two complaints I strongly agree with, the lack of substance in the tax policies proposed and the lack of defense cuts. I think there are several ideas that can be debated regarding the tax policy, so that is another discussion, but I want to focus on the lack of defense cuts in Paul Ryan's plan.

According to the AOL article, the two House members influential in protecting the defense budget were House Armed Services Committee chairman Rep. Buck McKeon and Rep. Todd Akin, with Rep. Akin being the key figure. I like Todd Akin a lot, he is Chairman of the House Seapower and Projection Forces subcommittee and has been a strong advocate for the Navy, but I have to be honest - when I read <u>his blog post on the Heritage Foundation Foundry blog</u>, I liked him less. He lists four reasons why he opposes defense cuts right now, and I think if the Democrats are smart, they will shoot holes through these arguments with no problems.

- 1. Our military is already stretched thin.
- 2. Disagrees that cutting the defense budget is reasonable because there is waste
- 3. The budget crisis is driven primarily by entitlement spending
- 4. The preamble of our Constitution talks about *providing* for a common defense and *promoting* the general welfare

This is intellectually weak stuff that represents boiler plate political talking points to an uninformed partisan audience, and certainly not the arguments found within the serious defense thinker community. For political reasons, Todd Akin has become married to the Heritage Foundation, and it strikes me that this is a tremendous weakness for the Republicans and the Navy specifically in the national security debate. Since 2006, and likely before, the defense wing of the Heritage Foundation (with <u>one exception</u> I know of) has been in decline primarily because they form a single conclusion of which all arguments are made to support.

MORE MONEY.

I believe Rep. Paul Ryan and many other Republicans will be ready to deal on the defense budget if the Democrats come back with a strong case of their own, because the Republicans will quickly realize that folks like Rep. Todd Akin will be standing on a ledge with James Carafano and no one else should a serious defense debate occur. The key though is whether Democrats are ready with a strong case for a serious defense debate. If Democrats are looking for a serious defense debate that works politically towards real reductions in defense spending, Democrats should start with the blue print already in the public by some of the leading conservative and libertarian thinkers in the national defense community, because a quick search will reveal these same arguments are made by liberals, progressives, and non-partisan think tanks (like <u>CNAS</u> (PDF)). For example:

Seth Cropsey

To prevent bureaucratic strife, the defense budget has for years been divided equally. This was not always the rule. As American grand strategy once made deliberate choices, the division of the defense budget once reflected them. In 1958, when the Eisenhower administration placed its hopes for strategic deterrence primarily in the Strategic Air Command, the Air Force received 48 percent of the budget. The Navy's portion was almost 29 percent, and the Army received 21 percent, down by nearly a half from its 39 percent share during the Korean War.

After Washington ends our large-scale commitment to wars in the Middle East, it must commit a division of the defense budget toward maintaining the current balance of power in Asia and the western Pacific region. This should of course include a stabilizing US presence carried out by the military services best situated to the task. If "strategy" has any meaning, it must choose among competing claims and place informed bets. Is the contentment of our three military services a greater good than an allocation of resources that sustains our power in Asia and prevents the continued rise of a rival regional hegemon? If the US cannot make such strategic decisions under the burden of increasingly straitened national resources, are we still capable of maintaining international leadership, much less our own security?

Better division of resources and cuts in the bloated network of centrally run defense agencies can also help fund strategic restructuring. The Defense Logistics Agency, for example, which purchases food, fuel, medical supplies, and a host of other items from spare parts to uniforms, employs 26,000 people, or 3,000 more than the number staffing the Pentagon. The Defense Contract Audit Agency operates more than 300 field offices with 4,000 employees. The Defense Finance and Accounting Service, which mails paychecks and travel reimbursements, employs 12,000 people. Another 10,000 work at the Defense Contract Management Agency. The Defense Commissary Agency, which sells groceries and household supplies to the military, has 6,000 employees. Taken together, that's 58,000 employees, or more than one-fourth the size of the Marine Corps. Christopher A. Preble

Significant cuts in military spending must be on the table as the nation struggles to close its fiscal gap without saddling individuals and businesses with burdensome taxes and future generations with debt. Such cuts will also force a reappraisal of our military's roles and missions that is long overdue.

The Pentagon's base budget has nearly doubled during the past decade. Throw in the costs of the wars in Iraq and Afghanistan, plus nuclear weapons spending in the Department of Energy, and a smattering of other programs, and the total amount that Americans spend annually on our military exceeds \$700 billion. These costs might come down slightly as the wars in Iraq and Afghanistan are drawn to a close—as they should be—but according to the Obama administration's own projections, the U.S. government will still spend nearly \$6.5 trillion on the military over the next decade. Surely Rep. Ryan could have found a way to cut...something from this amount?

Defense is an undisputed core function of government—any government—and spending for that purpose should not be treated on an equal basis with the many other dubious roles and missions that the U.S. federal government now performs. But please note the emphasis. The U.S. Department of Defense should be focused on that purpose: defending the United States. But by acting as the world's de facto policeman, we have essentially twisted the concept of "the common defence" to include the defense of the whole world, including billions of people who are not parties to our unique social contract. Bryan McGrath

Rather than unleashing debate within the Pentagon as to whether equal or near equal shares of the defense budget parceled out to the military departments--irrespective of the strategy pursued—makes sense, we will continue to spend massive amounts of money on defense inefficiently building, improving, and maintaining capabilities and capacities that sap our resources and do little to extend and sustain our position of global leadership. We will continue to pay for military power that has little or no use in peacetime, which begs the question as to whether that investment invariably contributes to its promiscuous use. All the while, we will wring our hands about the "massive expenditure" of 2% of the total defense budget on shipbuilding, assets which provide return on investment throughout their service lives...

I urge the House Armed Services Committee to begin a round of hearings to assess the status of our strategy/resources match, in a manner that leaves open the possibility of fundamental re-alignment. The HASC and the Administration should embrace "creative tension" in order to determine how best to protect, preserve and extend American leadership in a changing world, and the value and logic of equal or near equal shares of

the budget pie to each of the Services should be on the table from Day 1.

Like the wise man in the Pentagon once told me, when you run out of money, it is time to think.

And

Perhaps now, the vapidity of the equal share budget formula will be exposed for the bureaucratic crutch that it is. Perhaps now, the budget will begin to reflect the reality of Secretary Gates' words at West Point, in which he told a group of cadets wondering if they had made a poor choice in Service academies that the nature of conflict in the future will be abidingly Naval and Air. Perhaps now, we'll recognize the fact of our drawdowns in Asian land wars even as our East Asian friends and allies nervously urge us to become more engaged in the Pacific and Indian Oceans.

The coming defense budget crisis offers opportunity to think anew, to recognize that we spend PLENTY on defense, but that it is spent inefficiently and without recourse to strategy. It is time to UNBALANCE the defense budget, to fund those elements of national power more central to preserving and sustaining our national power while modestly de-emphasizing those with little peacetime return on investment. Some believe this debate will be central to the 2013 Quadrennial Defense Review. I disagree. The debate is upon us. The only question is whether we will answer.

And

The coming strategic dialogue will take place amid the backdrop of three potentially irreconcilable considerations. The first will be a natural, increased hesitance toward land war after a costly decade or more in Afghanistan and Iraq. Many Americans will eventually ask what was gained by the expenditure of over 5,500 lives and over a trillion dollars. The second will be the growing appetite for domestic infrastructure investment and entitlement spending even as the nation confronts mounting debt. The final consideration will be the desire of the American public to play the leading role in a world increasingly marked by the rise of Asia and the emergence of Brazil, Russia, India and China (the BRIC nations) as counterweights to US and EU influence.

The support of the American people for the wars in Afghanistan and Iraq has been remarkably durable, but it would be unwise to think such support would extend to another land war of choice in the near term, a sentiment echoed by Secretary of Defense Robert M. Gates, who wrote that "The United States is unlikely to repeat another Iraq or Afghanistan -- that is, forced regime change followed by nation building under fire -- anytime soon." While there are other foreseeable reasons the US might wish to employ massive land force, Afghanistan and Iraq appear emblematic of the chaos and untidiness many observers feel will mark the future strategic landscape. This landscape will grow ever more dangerous as sophisticated weapons continue to proliferate into the hands of insurgents and terrorists. If these types of conflicts are unlikely to summon similar US resolve, there is a question of continuing to sustain and resource those capabilities and capacities necessary to address such conflict *at the same levels*. Might the nation be better off working to preclude these situations before they erupt, rather than react at great cost to the Treasury?

Grand strategy discussions will also reflect fallout from the diminished state of the American economy as a result of the recent recession and financial crisis. Many economists are wary of growing levels of institutional debt in the US, and austerity measures are likely to be considered. These measures will almost certainly include aggressive efforts to cut the defense budget, as automatic entitlement costs as a proportion of the federal budget grow. Pressure to cut the defense budget is likely to result in equal or nearly equal shares being assigned each of the armed services, as such "Joint" burden sharing is the norm in a Pentagon bereft of inter-service rivalry in the post Goldwater-Nichols era. While the defense budget is not the cause of the nation's economic situation, policy makers will be sorely tempted to include it in the solution, rather than by curbing dramatically rising entitlement spending. A final strategic consideration likely to color discussions will be the almost certain desire of Americans to continue to be the acknowledged global leader-diplomatically, militarily, and economically-even as the resources available to continue or exercise such leadership are in jeopardy. Political leaders in the US will pay a heavy price at the ballot box if seen by voters to be supporting or enabling a decline in US power and influence. There is a very serious core group of about 300 highly respected civilian defense thinkers in Washington DC that fall along every kind of political fault line, and I believe all 300 would immediately agree that Seth Cropsey, Christopher A. Preble, and Bryan McGrath are three of the leading voices in defense in conservative and libertarian politics.

Of the twenty-one years that have passed since the United States invaded Panama, the US has been at war on the ground for fourteen years. The DoD has been conducting military operations in multiple theaters since 9/11. Funding for national defense has nearly doubled in the last decade alone, and almost none of this funding has been in response of rising powers like China or India, or a resurgent Russia. The allies that make up the strongest strategic alliance, NATO, have reduced their military budgets dramatically over the last decade. There is a global balance of power shift taking place from west to east as Asia rises economically, diplomatically, and militarily. From almost every serious defense thinker in the United States, there is a consistent drumbeat of published articles calling for a serious debate in Washington on roles and missions in the national security debate.

If the Democratic Party is serious about deficit reduction in the way that Paul Ryan is, and wants that serious discussion to include a serious debate on defense spending, then the President of the United States and Democrats on the Hill must address the "equal shares" model in Goldwater Nichols that divides the defense budget into equal shares for the three services.

If Republicans or Democrats cannot address this incredible flaw in our strategic thinking for developing military capabilities tailored to requirements, roles, and missions - then top line defense cuts will be politically impossible due to the treaty commitments already made that forms the backbone of US global posture today.

The Goldwater Nichols debate should happen over FY12 and FY13 so that the DoD can formulate budgets properly with the strategic reset opportunity that will come when the

US draws down from Afghanistan. Today the top line DoD budget is around \$700 billion. By cutting out the "equal shares" model in Goldwater Nichols, there is no reason why the DoD budget couldn't be reduced.

The United States is facing several major strategic challenges that should be driving this debate anyway, including Cybersecurity Defense and Nuclear Deterrent policy in a post cold war era. The Air Force is spending more on space and cyber security than they do on aircraft, and the Navy spends more on aircraft than the Air Force does. The global basing situation needs a thorough reexamination in the wake of recent events in the Middle East, South Korea, and Japan combined with the rise of China and decline of Europe, and it cannot be ignored that while global military power on land is in decline, global naval power and in particular lethal submarines is increasing.

The world is different in 2011 than it was in 1986, 1991, and 2001, and yet the defense budget is still operating under the "equal shares" model in Goldwater Nichols that was designed during the cold war. If neither Republicans and Democrats are unwilling to take on the lack of strategic flexibility built into the "equal shares" model in Goldwater Nichols, then our nations political leaders are not serious about defense cuts.

Goldwater Nichols is step one, without reform nothing changes for defense spending without very serious legitimate risk of clear political consequences related to both domestic and global perception of American decline.

Posted by Galrahn at 1:00 AM

Labels: Budgets, Defense Spending, Goldwater-Nichols