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The Pentagon Conned Washington ... Again

Budget gimmicks stymie real military reforms

Mandy Smithberger & Christopher Preble

Advocates for higher Pentagon budgets won a victory last week, but their jubilation is misplaced.

Although the National Defense Authorization Act managed to circumvent the spending caps imposed by the bipartisan Budget Control Act of 2011, these budgetary shenanigans are likely to postpone a series of reforms that nearly everyone in Washington knows are long overdue.

The NDAA clearly violated the spirit of the statutory budget caps by packing tens of billions of dollars into the account that is supposed to be reserved for wartime emergencies.

Pentagon boosters shouldn't be allowed to demolish what little fiscal discipline has been achieved in the last few years as long as Congress refuses to authorize another round of base closures to allow the services to get rid of excess infrastructure, modernize the military's pay and benefits structure for the 21st century, and compel the Pentagon to eliminate excess civilian overhead.

A bipartisan group of 38 think tank experts endorsed such reforms in an [open letter](#) to Secretary of Defense Ashton Carter and leaders in Congress. We agree with most of what is called for in the letter. But, in the end, we declined to sign because it didn't go nearly far enough to address the most wasteful aspects of the Pentagon's budget and falsely implied that spending limits threatened to undermine national security.

For example, we agree that the growth of the civilian workforce is entirely out of sync with cuts to force structure. But a large civilian workforce is only part of the problem.

Feeding into this monster is also an excessive service contractor workforce—the greatest area of cost growth for the Defense Department's workforce in the last 10 years. A 2011 [Project On Government Oversight study](#) shows how costly this workforce can be, finding that the federal

government pays contractors 1.83 times more than they pay federal employees, and more than two times what the private sector pays for comparable services.

The Defense Department has ignored its responsibility to implement an improved service contract tracking system, shirking its total force management responsibilities and perpetuating billions of dollars in unnecessary service contracting costs.

As a result, as [Rep. Chris Van Hollen \[D-MD\] recently confirmed](#), we have no reliable information about the size of our contractor workforce. Right-sizing the Defense Department's workforce must look at the costs of all of these personnel, which will benefit mission and readiness capabilities.

The defense reform consensus letter calls on Congress to approve a round of base closures to allow the Pentagon to eliminate excess capacity and overhead.

Many members of Congress hate the Base Realignment and Closure process, which closed over 100 major bases in five rounds between 1988 and 2005, but BRAC has so far saved taxpayers tens of billions of dollars, and released land and other assets that local communities have put to productive use.

The signatories of the defense reform letter understand that parochialism shouldn't be allowed to prevent the military from better aligning its resources. They go too far, however, in suggesting that the United States has reduced too many overseas bases, and that the U.S. military should be larger and more active abroad.

In fact, most Americans want the U.S. military to focus on defending the United States and its vital interests. If we reduce the U.S. military's permanent overseas presence and created more incentives for burden-sharing by our allies, we could reap significant savings for U.S. taxpayers.

The other stealthy elephant in the room is the need for acquisition reform.

The Pentagon's weapon systems acquisition process delivers systems that are grossly over-cost and behind schedule. Genuine reforms in this area would increase competition, require realistic testing before acquisition—"fly before you buy"—reduce concurrency between testing and production, and hold program managers and contractors accountable for program failures.

They would also require Congress to look beyond their parochial interests. While we appreciate that there are legitimate disagreements as to which reforms will provide more effective and cheaper weapons on time, the need for drastic changes in this area is obvious.

We also take issue with the way the letter frames the reform debate around the inaccurate claim that the world is a more dangerous place, and that the recent decline in military spending has undermined our military's effectiveness, allowing potential competitors to challenge U.S. interests around the world.

On the contrary, the U.S. military remains the world's preeminent fighting force, and our all-volunteer force is second to none. Most of the decline in military spending since 2011 is associated with the drawdowns in Iraq and Afghanistan. The Pentagon's so-called base budget remains well above the Cold War average in inflation-adjusted dollars.

That is why it is misguided to link increased Pentagon spending to increased safety. As former Defense Secretary [Robert Gates once said](#), "If the Department of Defense can't figure out a way to defend the United States on a budget of more than half a trillion dollars a year, then our problems are much bigger than anything that can be cured by buying a few more ships and planes."

Neither of us believes that the United States is in a weak and vulnerable position today due to flat spending. Instead, years of bloated Pentagon budgets insulated the Pentagon from the need to make smart strategic choices, and have allowed policymakers to avoid a needed debate about whether our use of force in the last two decades has made us safer.

We ask much of our men and women in uniform, and they have delivered. But they cannot be everywhere, and they can't do everything, no matter how much money we spend. Now is the time to have a serious conversation about military commitments, and we shouldn't assume that all are sacrosanct.

We are glad to see there is a growing consensus for reform, and we hope that there will be progress in these areas this year. The necessary changes, however, are unlikely to occur if increased spending allows the Pentagon to defer yet again decisions about spending tradeoffs.

We cannot ignore how wasteful spending endangers our fiscal health and national security.

Mandy Smithberger is the director of the Straus Military Reform Project at the Center for Defense Information at the Project On Government Oversight, where this article [originally appeared](#). Christopher Preble is vice president for defense and foreign policy studies at the Cato Institute.