

POLITICO

THE SENATE IS SET TO VOTE TODAY around noon to clear the debt deal so Obama can sign it and make it official, which he has said he would do. The deal passed the House on Monday by a 269-161 vote. <http://politi.co/pjqTK8>

HOW WILL THE DEAL AFFECT DEFENSE SPENDING? Depends on how you crunch the numbers. DOD will be on the hook for at least \$350 billion over the next 10 years as part of the initial round of cuts. Another \$500 billion would come as part of an automatic reduction if a House-Senate committee fails to recommend a different mix of savings, though the legislation is written to make sure that doesn't happen.

THE DEAL LUMPS DOD SPENDING into a broader "security" category with spending on veterans programs, homeland security, diplomatic operations, foreign aid and Energy Department nuclear weapons programs. "This structure allows our members ... to work with both parties to do the right thing and ensure that any cuts do not harm defense," a GOP congressional aide tells us. "While Democrats may continue to insist and try to cut defense, Republicans will fight on behalf of our Armed Forces and make sure our troops get the resources they need."

TRANSLATION – Expect GOP pressure on spending for State, especially in the area of foreign aid, and possibly also Homeland Security, to try to mitigate harm to spending on defense and veterans programs.

DEFENSE ANALYST JIM MCALEESE tells us he expects DOD to take a total hit of about \$700 billion to \$725 billion over 10 years if the joint committee comes to an agreement on savings, because of pressures to protect entitlements and include revenues in the mix.

OTHERS SEE A SMALLER BOTTOM LINE. Analysts Winslow Wheeler of the Center for Defense Information and Christopher Preble of Cato both say the initial \$350 billion figure for DOD reductions is dubious and based on cuts to projected increases rather than actual spending. The two also share the skepticism expressed by many other analysts that the automatic \$500 billion in cuts would ever occur.

"There will not be \$850 billion in reduction in the Pentagon budget as a result of this debt deal," Wheeler says in an email. "The actual amount will be determined by this and future Congresses; while the political winds now favoring the Pentagon relative to other forms of discretionary spending may change, the most likely alterations to DOD spending appear today to be significantly less than the much touted \$850 billion."

AEROSPACE INDUSTRIES ASSOCIATION CEO MARION BLAKEY says in a statement that the deal "dangles a Sword of Damocles over our national security later this year when further cuts would be triggered unless another compromise is reached. The

cuts to defense proposed in the ‘trigger’ deal are so draconian that it’s hard to believe they are even on the table.”

GOOD TUESDAY MORNING AND WELCOME TO MORNING DEFENSE, where today’s scheduled default has been postponed. Please send feedback and tips to choskinson@politico.com, and follow us on Twitter @morningdefense for updates between briefings.

** A message from Northrop Grumman: The E-8C Joint STARS platform from Northrop Grumman features 70,000 hours of proven combat experience, over 5,300 successful missions, and one very bright future ahead. **

SECURITY HAWKS WERE DIVIDED in the House vote on the debt deal. HASC Chairman McKeon voted yes “with deep reservations,” calling it the “least bad proposal before us.” But Readiness Subcommittee Chairman Forbes – who last week held a hearing designed to undermine pressure for DOD cuts – voted no. See the full roll call here: <http://politi.co/nGtkyn>

REP. GABRIELLE GIFFORDS OF ARIZONA, another HASC member, stole the show when she showed up to vote “yes.” It was her first appearance on the House floor since an assassination attempt in January. Her statement: “After weeks of failed debate in Washington, I was pleased to see a solution to this crisis emerge. I strongly believe that crossing the aisle for the good of the American people is more important than party politics. I had to be here for this vote. I could not take the chance that my absence could crash our economy.” Laura McGann has the story here: <http://politi.co/rjfMzo>

A NOTE ON MATH – Yes, we know that 36 is larger than 18, though yesterday’s item on Iraq’s fighter jet purchase would seem to indicate the opposite. Baghdad is reportedly doubling its purchase from 18 to 36 and not the other way around. Also, the jets involved are F-16s, not F-18s. We regret the errors.

EITHER WAY, the Pentagon says that while Iraq has asked for pricing on 36 F-16C jets, there has been no notification to Congress that Baghdad plans to buy more than 18.

U.S. TROOPS IN IRAQ must have legal protections as part of an agreement to keep them in the country past the end of the year, Mullen told reporters in Baghdad today. He was responding to comments over the weekend by Iraqi Prime Minister Nouri al-Maliki, who suggested that U.S. trainers could remain under memoranda of understanding rather than a formal status of forces agreement, which Iraq’s parliament has been reluctant to approve. <http://bit.ly/oBPO2H>

THE THREAT POSED BY IRAN’S ROLE in rising violence in Iraq was among the topics discussed when Panetta hosted British Defense Minister Liam Fox at the Pentagon on Monday, says Doug Wilson, ASD for public affairs. His readout of the meeting: “Defense Secretary Leon Panetta and UK Minister of Defense Liam Fox met for an hour today at the Pentagon to review a range of regional and global issues of national security

importance to both nations. Since taking office in July, Panetta has spoken twice to Fox by phone, but today's meeting marks the first time the two have met personally. Each stressed that the bilateral relationship was of critical strategic importance; Secretary Panetta reinforced the special relationship between the two nations and America's "tremendous trust" in the United Kingdom. The two defense leaders shared views on budget challenges; political and military challenges in Libya; Afghanistan (including training of and transition to Afghan national security forces); Pakistan; Syria; Yemen; and Iran, focusing on Iranian involvement in rising violence in Iraq and the threat posed by Iran's potential to develop nuclear weapons. The two also focused on the future of NATO, non-proliferation and energy issues.”

MULLEN SAYS DIPLOMATIC PRESSURE on the Iranians by Iraq’s government has helped blunt the impact of the attacks, which U.S. commanders fear are aimed at allowing Tehran to claim credit for driving U.S. troops out. <http://nyti.ms/ppS0et>

THERE’S NO PAUSE FOR RAMADAN IN LIBYA, where rebels continue slowly to gain ground against the regime of Muammar al-Qadhafi. But rebel commanders have not yet made a convincing case for how they will seize the capital of Tripoli, the Washington Post reports today. Read it here: <http://wapo.st/mZN4tS>

THE UNITED STATES IS WARNING THE REBELS to get their act together even as it prepares to hand over Libya’s embassy in Washington to them, CNN reports, quoting an administration official as saying this is a "do-or-die moment" for the organization to carry out a credible and thorough investigation of the killing of military commander Abdel-Fattah Younis. <http://bit.ly/oGnAqa>

LIBYA OPS UPDATE -- NATO air forces conducted 114 sorties on Monday, of which 48 were strike sorties. That brings the total to 17,443 sorties and 6,590 strike sorties since March 31.

Raids were conducted around Gharyan, Tripoli, Waddan, Zlitan, and Bir Al-Ghanam. Key targets hit included military facilities, ammunition storage facilities, air defense systems and a command and control node near Zlitan.

Ten vessels were hailed and one boarded Monday in arms embargo enforcement activities. Since March 31, 2,035 vessels have been hailed, 201 boarded and nine diverted.

A NEW REPORT WARNS that national security will be hurt by the decline of U.S. earth monitoring satellite capability. The report by the Center for a New American Security says, "by 2016, only seven of NASA’s current 13 earth monitoring satellites are expected to be operational, leaving a crucial information gap that will hinder national security planning." Read the full report here: <http://bit.ly/ntFvRx>

THE SOLDIER WHO RAISED ALARMS about the existence of a “kill team” of rogue soldiers in an Army brigade in Afghanistan has cut a plea deal. The News Tribune

in Tacoma, Wash., says the Army and defense attorneys will not release the terms of Spc. Adam Winfield's plea agreement, but sources say he won't serve more than eight years and the most serious charge would be reduced from murder to manslaughter. Read the story here: <http://bit.ly/qPqfPZ>

WHO'S WHERE WHEN – Panetta meets with Obama at the White House at 4:30 p.m. Mullen is traveling with a USO tour that includes Utah Jazz forward Karl Malone and “Daily Show” host Jon Stewart. Amos speaks on diversity in the Marine Corps at the National Naval Officers Association conference in San Diego. Schwartz is in Italy for a counterpart visit. Donley has meetings in the building.

Lynn and Cartwright had been scheduled to testify at SASC in a hearing on Afghanistan. That hearing has been canceled.

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