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The Debt Deal's Defense Cuts: A Win for Libertarians?

Peter Suderman | August 1, 2011

Nate Silver of *The New York Times* thinks libertarians
might like the debt deal's cuts
to (projected increases in!)
defense spending:

The first round of cuts will include \$350 billion in defense savings, while the second round would include between \$500 and \$600 billion in defense



cuts if no bipartisan agreement is reached.

...In fact, if you're a Democrat (or a libertarian) who is not just indifferent toward defense cuts but actually in favor of them, you might even regard the cuts to defense spending as a "win," making up for the "loss" incurred from cuts to other types of

discretionary spending.

Indeed, people of the libertarian persuasion might be even more amenable to this arrangement than Democrats, as they likely wouldn't be upset by the "loss" from other types of spending.

But libertarians are also a skeptical people, and in this case, there's good reason to be. Overall, as Christopher Preble <u>explains</u>, we're looking at a maximum of about \$850 billion in cuts to projected defense spending—and that's only if the debt deal trigger kicks in, which is no sure thing. But let's say the commission's deficit reduction proposal dies on arrival in Congress and the trigger goes into full effect. As Preble points out, the ensuing reduction would involve spending just 15 percent less than what the defense department planned to spend in its most recent budget—and that doesn't even factor in the cost of the wars. Nor are those reductions in any way guaranteed to stick:

And remember, that \$850 billion is a maximum; it may not materialize. It will be lower, if, as hawks hope, the cuts fall on the non-defense elements of the security category. It will be lower if the Joint Committee finds other accounts to cut, avoiding the triggers. The Pentagon's budget has more than doubled over the past decade, and current projections call for the Pentagon to receive more than \$6 trillion from U.S. taxpayers through 2021. If its budget got cut by 15 percent, that would return us to roughly 2007 levels. That hardly seems like "gutting". After such cuts, we would still account for more than 40 percent of global military spending.

Still, it's not impossible that the debt deal trigger gets pulled, which would put the nation on the path toward larger defense cuts. If Silver is correct that the triggered cuts are designed to appease Democrats by skewing heavily toward the Pentagon budget, then legislators on team-D may not have much reason to vote for the commission's deficit recommendations unless the package includes additional tax revenue. Yet it's pretty safe to say that Republicans aren't going to support a package with any new or higher taxes. In that case, Silver argues, the deal "probably leads us to a stalemate: Democrats cannot do much better [than the trigger] unless there are tax increases, and Republicans will not be eager to raise taxes." And thus the trigger gets pulled.

As <u>Phil Klein</u> and <u>Mike Riggs</u> suggested earlier, that means that another way of looking at this is that the deal potentially pits Republicans against themselves by forcing party legislators to choose between raising taxes and paring back planned defense spending. <u>I'm</u>

on record as being skeptical that the Republican party, as a whole, is ever likely to favor even moderate reductions in defense spending, and it's already clear that the party's top hawks are <u>deeply opposed</u> to the way the deal would handle the military budget. Still, given the influence of new House members who may (and only may) not be quite as determined to protect defense pork, I think it's at least somewhat unclear at this point whether defending the defense budget or attacking new taxes is the more important current priority for the GOP. And there lies the potential upside for folks opposed to spending inside and outside the Pentagon: If Republicans make the choice to refuse new taxes rather than preserve defense spending—and, then, in an even bigger if, stick to it in coming years—well, that would be a real win for libertarians, even if the spending reductions themselves are only moderate in scope.