

Where to Find a Trillion Dollars

By [William Hartung](#) - February 14, 2011, 3:23PM

Even by Washington standards, a trillion dollars is a lot of money. That's approximately the [figure](#) for the cumulative savings President Obama wants to extract from proposed federal budgets over the next ten years. While [some of the money](#) would come from closing tax loopholes and increasing the burden on individuals earning more than \$250,000 per year, the bulk of it would come from domestic discretionary spending - everything from low income heating assistance to accelerated interest payments on college loans. In all, the Obama administration's freeze on non-security-related discretionary spending would result in [\\$400 billion in reductions](#) over the next five years. These cuts will be painful, and they will be felt in every middle- and lower-income household in America.

By contrast, the Pentagon will barely be touched. In fact, the [\\$553 billion proposal for the agency's base budget](#) announced by the Obama administration today is a 4% increase from current levels. And the highly touted \$78 billion in Pentagon "cuts" Secretary of Defense Robert Gates has called for over the next five years are essentially a slowing in the rate of growth of Pentagon spending. As Christopher Preble of the Cato Institute has [suggested](#), only in Washington, DC can a spending increase be described as a "cut."

So what is to be done? We need to make sensible cuts in Pentagon spending that will address the long-term deficit problem without undermining our security. Doing so would take a lot of pressure off of domestic programs, allowing for milder cuts -- or even no cuts at all -- depending upon one's feelings about what level of deficit reduction is needed over the next decade.

The [Sustainable Defense Task Force](#), a network of over a dozen experts (including yours truly) that was brought together last spring to address the issue of deficits and defense spending has made proposals for nearly \$1 trillion in reductions in Pentagon spending over the next decade - a number comparable to the \$1.1 trillion in budget savings on domestic programs contained in the Obama budget. With military spending running at post-World War II record levels in recent years, and with a steady rise for the past fourteen years, this is eminently reasonable. It is even more so when one considers that the United States spends roughly what the rest of the world combined spends for military purposes, and that the main threats out there - from Al Qaeda to nuclear proliferation - can't be meaningfully addressed by building more long-range missiles, combat ships, fighter planes, or aircraft carriers. In short, many of the most expensive items in the Pentagon's procurement budget are irrelevant to the most urgent threats we face.

Among the items that can be cut without harming our security:

- The \$238 billion Joint Strike Fighter program: Cancelling the program and relying instead on upgraded versions of current aircraft would save almost \$50 billion over ten years.
- The MV-22 Osprey: Replacing this dangerous, overpriced, and underperforming aircraft with cheaper alternatives would save over \$10 billion over ten years.
- Reducing the number of U.S. troops in Europe and Asia to 100,000 from current levels of 150,000 would save \$80 billion over a decade.
- Reforming Pentagon health care systems so that retirees pay modest, reasonable premiums could save \$60 billion over a decade.
- Scaling back missile defense and space weapons programs could save over \$50 billion over a decade.
- Further reductions in the U.S. nuclear arsenal, including deployment of fewer ballistic-missile launching submarines, could save over \$100 billion in a ten year period, much of it in operating costs.
- Reducing the size of the Navy from 286 to 230 ships would save over \$125 billion over ten years.

These are not radical proposals. They would average out to about \$100 billion per year in cuts from a military budget that has doubled since President George W. Bush took office. In addition to the question of how relevant traditional weapons systems are to fighting terrorism and the spread of nuclear weapons, the sheer size and capabilities of U.S. forces allow for significant cuts. As Secretary of Defense Robert Gates has noted, the U.S. Navy is [larger than the next 13 largest navies in the world combined](#), and 11 of those are U.S. allies. And under current plans the U.S. will have an overwhelming advantage over China in top-of-the-line fighter planes for the foreseeable future, perhaps up to a [20 to 1 edge as of 2020](#).

But, of course, the fact that something is reasonable doesn't mean it can make it through Congress. I will address that problem in a separate post.