

# A Show Of Force On Pentagon Spending

**Wary of a pre-election fight, congressional Democrats are likely to approve Obama's proposed increase.**

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by Brian Friel

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When President Obama announced his plan in February to freeze fiscal 2011 discretionary spending, he made clear that austerity did not apply to the Pentagon. Although other agencies are bracing for their base appropriations to flatline, the Defense Department is slated for a 3.4 percent increase under the president's budget.

Some lawmakers would certainly prefer to steer additional money to their favored domestic programs. For starters, House Appropriations Committee Chairman David Obey, D-Wis., who this week announced that he is retiring from Congress, has emphasized that he doesn't consider the DOD exempt from cuts. Despite those sentiments, most congressional Democrats appear reluctant to wage a fight over defense spending in an election year. Senate Democrats signaled as much when they recently offered a fiscal 2011 budget resolution that would adhere to Obama's proposed increase for the military.

Benjamin Friedman, a research fellow in defense and homeland security studies for the Cato Institute, said that although much money could be saved in the Pentagon budget, Congress is unlikely to target that area for cuts this year. "In the Senate, there's not a lot of evidence on the Democratic side this is something they want to do, largely because they're scared it would just hand an issue to the Republicans," Friedman said. Without GOP backing for reductions, he added, Democrats are "not going to move on their own."

Todd Harrison, a senior fellow for defense budget studies at the Center for Strategic and Budgetary Assessments, agreed that major military reductions seem off the table for now. "I think that politically it's difficult to take money out of the defense budget while we're engaged in two ongoing wars," he said. "That's just a political reality that no one wants to touch that funding, especially not this administration. They haven't shown any inclination to wage that battle."

House Minority Whip Eric Cantor, R-Va., has made it clear that painting Democrats as weak on defense is already part of the GOP strategy for the 2010 midterm elections. "When we retake Congress, we will stand with defense-minded folks on the other side of the aisle to stop the hemorrhaging of America's defenses," Cantor declared during a May 4 speech to the Heritage Foundation. "That's why Republicans must win in November."

Even though the overall Pentagon budget will enjoy protected status this year, smaller battles will still be waged over allocating spending priorities within that framework. And the groundwork is being laid for inevitable belt-tightening later on, when the nation's looming fiscal crisis bears down.

Defense Secretary Robert Gates this week began preparing the Pentagon bureaucracy, the service brass, and the sprawling defense industrial base for future cuts. During a May 3 speech to the Navy League, he warned that the military will not be immune from budget pressures. "We have to accept some hard realities," Gates said. "American taxpayers and the Congress are rightfully worried about the deficit. At the same time, the Department of Defense's track record as a steward of taxpayer dollars leaves much to be desired."

Gates acknowledged that the Navy may be spending too much on systems that don't match future threats to U.S. interests. As an example, the secretary noted that the Navy anticipates funding 11 aircraft carrier groups through 2040. "Do we really need 11 carrier strike groups for another 30 years when no other country has more than one?" he asked. Gates planned to deliver a similar message during a May 8 speech at the Dwight D. Eisenhower Presidential Library in Abilene, Kan.--a symbolic choice of location, given the 34th president's warnings about the power of the military-industrial complex.

Additional opening salvos in the coming debate over defense spending may be fired during the deliberations of the National Commission on Fiscal Responsibility and Reform. The 18-member presidential panel is tasked with offering recommendations to Congress in December for reducing the nation's long-term deficits and debt.

On May 5, the commission's working group on discretionary spending held its first closed-door meeting in the Cannon House Office Building. The panel, which includes House Budget Committee Chairman John Spratt, D-S.C., and Sen. Tom Coburn, R-Okla., began to review nondefense and defense spending, with Stephen Daggett, a national defense expert at the Congressional Research Service, providing an overview of the military budget. "There was a lot of discussion about the defense side as well as the other," said Rep. Jan Schakowsky, D-Ill., another commission member.

The commission's co-chairman, Erskine Bowles, a former Clinton administration official, said that the presentations helped members get a grasp of the budget issues they face. "You saw how big the problem is, at least that small portion of it," he said.

Other lawmakers outside of the commission are closely watching its work. Sen. Claire McCaskill, D-Mo., who has homed in on reducing Pentagon contracting waste since her election to the Senate in 2006, sees plenty of opportunities for budget savings. "There's a lot of money we can save just in contracting at the Department of Defense," she said. "I think we've got to continue to focus on that as a place we can save taxpayer money, without diluting our military might."

Rep. Barney Frank, D-Mass., a leading liberal critic of weapons system spending, has organized a group of similar-minded defense budget experts -- headed by Carl Conetta, co-director of the Project on Defense Alternatives -- with the goal of influencing the presidential commission by recommending ways to cut \$100 billion from the annual military budget. "My guess is, this bipartisan commission will look at defense, and they will say we do need to do something about defense," said Cato's Friedman, a member of Frank's group.

During this year's appropriations debate on Capitol Hill, some of the usual parochial battles will play out over funding for specific weapons systems. Gates, for instance, is threatening a presidential veto if Congress doesn't curtail the C-17 cargo plane program. The administration won a similar battle last year, when Obama vowed to veto the Defense appropriations bill if funding for the F-22 fighter was not removed. Congress ultimately acquiesced after a lengthy staredown.

Gates this year has also targeted the alternative engine program for the Joint Strike Fighter. But Harrison noted that so much money has been spent on the alternative engine development that Congress may feel too invested in the effort to pull the plug now.

Such battles threaten jobs in lawmakers' states and districts, so they can consume much of Washington's time even though they ultimately are a small part of the defense budget. Many defense analysts note that more money could be saved in areas that are considered off-limits this year, such as the health care budget for the Pentagon's active-duty personnel and retirees.

Health care now accounts for about one-tenth of the massive military budget. Premiums have not increased for the military health care program the way they have for private insurance, and some officials suggest that military retirees -- especially those with jobs that offer private insurance -- should pay a greater share of the costs. But when the Bush administration floated such an idea, groups representing retirees quickly batted it down.

Harrison said that much of the low-hanging fruit of wasteful military spending has been harvested during Gates's tenure, leaving thorny issues such as retiree health care costs for future budget cutters to resolve. "Where are you going to cut?" Harrison asked. "There aren't any politically easy items left to cut."

He also noted that the procurement budget -- a usual suspect for budget hawks -- may be tougher to reduce than many people think, because the military services have a wide range of aging equipment that will need to be updated in coming years, even though the Pentagon's budget has seen steady increases throughout the past decade. "It's been a hollow buildup of sorts," Harrison said. "We have not acquired a lot of new equipment, and we haven't built up our forces as we did in the 1980s."

The administration may be delaying larger debates, but Gates is laying the groundwork for a major rethinking not only of the budget but also of the makeup of the American military. In his May 3 speech, he cited various heroes of U.S. military history and explained how they have inspired him.

"What is compelling about each of these leaders," Gates said, "is that they had the vision and the insight to see that the world and technology were changing, they understood the implications of these shifts, and then pressed ahead in the face of often fierce institutional resistance."