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How Much Does the Debt Deal Really Cut Military Spending?

By Joshua Green

For liberals anxious to defend social programs, one consolation in an otherwise lousy debt deal was the early reports that the initial cuts of \$1 trillion would include \$350 billion in defense spending. See, for example, Nate Silver in the New York Times and Ezra Klein in the Washington Post. But it looks to me like that \$350 billion figure is far from certain, and based on an assumption that isn't necessarily warranted. The figure appears to come from this White House fact sheet released Sunday night. Initial reports like this one also described the first tranche of cuts as being evenly divided between "security" and "non-security" spending. (My understanding, to drill down even further, is that the actual "security" figure is \$420 billion, of which \$350 is defense spending, since "security" is also understood to encompass intelligence, State Department, and veterans benefits.)

But here's the problem: the firewall that guarantees a 50-50 split between security and non-security spending only extends for the first two years. A fact-sheet circulated by the Senate Democratic Policy and Communications Center yesterday (no link, sorry) is more specific -- and far less impressive -- about the size of the reduction in military spending actually guaranteed under the plan: it's not \$350 billion, but \$5 billion:

The security savings would represent roughly \$5 billion of the total \$10 billion in reductions over this two year period.

It's all but certain that military cuts will amount to much more than \$5 billion over the ten-year span of the deal. But there isn't any guarantee. The \$350 billion figure is a projection. That ought to worry liberals and anyone else who'd prefer security cuts to non-security cuts -- or even prefer the balance that the plan was advertised as offering -- because without a firewall there's no reason to believe that the cuts will continue to split 50-50. In fact, given the clout of the defense industry and its champions in Congress, I'd say it's very likely that defense cuts after the first two years will be less than 50 percent, and cuts to other domestic programs more than 50 percent.

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A number of defense analysts seem to agree that the \$350 billion is less than solid. The Center for Defense Information calls the number "misleading" and says the White House "pretends that a two year cap the bill establishes on 'security' spending will extend to ten years." Christopher Preble of the Cato Institute is likewise unpersuaded. "They get [to \$350 billion], dubiously, by projecting security spending at the capped level across the decade, even after the caps expire," he writes. "They are also assuming that all the savings go to defense, even though Republicans will try to make the other security categories absorb the pain."

One area where the military cuts seem more certain is in the second phase of the deal -- the sequestration -- that kicks in if the "SuperCongress" fails to achieve a sufficient amount of deficit reduction. In that scenario, 50 percent of the cuts, or \$600 billion, would come from defense spending. This is stipulated in the bill. So if the overwhelming majority of the guaranteed cuts in defense are to be found on the back end of the deal, liberals might indeed prefer the trigger.

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