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Defence cuts could 'do real damage'

By Anna Fifield in Washington

Forced spending cuts to the Pentagon budget could “do real damage” to national security and imperil American troops abroad, Leon Panetta, the new US defence secretary, has warned, following a deficit reduction deal agreed by Congress that could lead to swingeing cuts later this year.

The defence budget will sustain at least \$350bn in cuts over the next 10 years as part of the initial deal. But if a bipartisan “super committee” cannot agree on \$1,500bn in spending cuts before November, the Pentagon faces another \$500bn automatic reduction to its budget.

Mr Panetta, in a letter to military staff on Wednesday, said that he would do everything he could to “ensure that further reductions in defence spending are not pursued in a hasty, ill-conceived way that would undermine the military’s ability to protect America and its vital interests around the globe”.

The automatic reduction mechanism “could trigger a round of dangerous across-the-board defence cuts that would do real damage to our security, our troops and their families, and our ability to protect the nation,” Mr Panetta wrote.

Such an outcome would be “completely unacceptable”, he said, adding that he would help the administration and congress make the “commonsense cuts” needed to avoid automatic reductions.

The Pentagon is already trying to identify \$400bn in cuts over 12 years, previously requested by President Barack Obama. The \$350bn reduction would be based on this review.

Marion Blakey, president of the Aerospace Industries Association, a defence interest group, said that additional cuts would leave the military unable to invest in the technology that gives it a superior battlefield advantage.

“It would most likely preclude the modernisation of equipment worn out by a decade of war,” she said in a statement. “And it would weaken the defence industrial base that is responsible for thousands of high paying jobs and billions of dollars in exports.”

But many analysts doubt that the automatic \$500bn in cuts will ever eventuate.

“It’s quite obvious that the negotiators, especially the White House negotiators, wanted the

penalty [for not agreeing further cuts] to be so threatening that it will convince the super committee to reach an agreement,” said Christopher Preble, a defence expert at the libertarian Cato Institute.

But forging an agreement could be difficult for Republican members, who would be forced to choose between tax increases and defence budget cuts – both ideas that are unpalatable to many of them, Mr Preble said.

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