

Assessing the QDR and 2011 Defense Budget

Gordon Adams

The new Quadrennial Defense Review (QDR) and the fiscal year 2011 defense budget request have arrived. Unfortunately, they miss the mark: The QDR vastly expands the military's missions, and the budget responds in kind by expanding for the fourteenth consecutive year.

Defense Secretary Robert Gates argued that the two documents were "shaped by a bracing dose of realism" with regard to risk and resources. I respectfully disagree. The QDR's risk assessment piles on missions like a short-order cook stacks pancakes at IHOP, setting no priorities between near-term challenges and long-term requirements. And the budget continues to accommodate such a limitless agenda. The bottom line: This lack of discipline will broaden the country's defense requirements and expand military spending in ways that will make establishing budget and mission discipline in the future even more difficult.

The lack of budget discipline deconstructed. First, some context: The \$708 billion defense budget request is higher than at any point in our post-World War II history. It is 16 percent higher than the 1952 Korean War budget peak and 36 percent higher than the 1968 Vietnam War budget peak (in constant dollars).

Gates argues that the budget plan "rebalances" spending by putting an emphasis on the near-term challenges of counterinsurgency, counterterrorism, and stabilization operations. Indeed, it does request funding for special forces, unmanned

aerial vehicles, and other equipment useful in the prosecution of the current wars in Iraq and Afghanistan. But the current budget plan makes no effort at prioritizing these near-term commitments against funding for longer-term commitments. Instead, it increases funding for both near-term and long-term programs and activities.

Overall procurement spending would rise by 7.7 percent in the fiscal year 2011 budget, buying virtually all of the equipment the services wanted. Gates would maintain that he has eliminated some programs. But the big ones – the C-17 and the second engine for the F-35 – were never in the long-term budget projections of the Defense Department anyway so the cuts don't free up new money. Only the proposed CG(X) cruiser for the navy is terminated – although navy shipbuilding funds grow by nearly 14 percent. Moreover, there are more than \$21 billion worth of procurements in the separate funding request for the wars in Iraq and Afghanistan, some of which are termed "long-term reconstitution," meaning they ought to be in the basic defense budget but can more easily be requested in the war budget.

Historically, the costs to operate and maintain the U.S. military tend to grow at about 2.5 percent. Not this year. The basic defense budget request seeks more than \$200 billion, or an 8.5-percent increase, in funding for Operations and Maintenance (O&M). In addition, the war budget allocates another \$89 billion for O&M resources. While I have no issue with supporting troops in the field, I worry that the O&M funds being requested go far beyond that purpose and, in statute, can be used anywhere for O&M purposes. Plus, O&M has other problems: It supports a good part of the defense health care system, the costs of which are growing faster than those of Medicare.

We also continue to increase the size of our forces. In particular, the budget asks for the money necessary to add another 22,000 troops – a supposedly "temporary" measure. Yet we've already grown the ground forces by more than 92,000 men and women over the past few years, and "temporary" has a way of becoming permanent. And when you grow the force, you grow all sorts of other costs – e.g., benefits, equipment, training, etc.

Finally, the cost of the wars in Iraq and Afghanistan remain high at \$159 billion. Moreover, the Obama administration offered no projections of war-related spending after fiscal year

ADDITIONAL RESOURCES

A Unified Security Budget for the United States, FY 2011.

Foreign Policy in Focus, 12 August 2010.

Principal authors: Lawrence Korb and Miriam Pemberton.

http://www.fpiif.org/reports/USB_fy_2011

Debt, Deficits, and Defense: A Way Forward.

Sustainable Defense Task Force, 11 June 2010.

<http://www.comw.org/pda/fulltext/1006SDTFreport.pdf>

Trillions to Burn: A Quick Guide to the Surge in Pentagon

Spending. Project on Defense Alternatives, 5 February 2010.

<http://www.comw.org/pda/1002BudgetSurge.html>

2011. Instead, it inserted a “placeholder” of \$50 billion, knowing it’s likely to be more than that at least for the next few years.

The QDR as the defense budget’s enabler. The QDR makes the lack of budget discipline even worse. Having participated in two defense reviews, I can say that they generally haven’t been fiscally constrained. But this QDR is even more dangerous: It actually encourages systematic defense budget growth.

Commentators have defended the new QDR by saying that it jettisoned the old planning recipe of having forces that could fight “two major regional contingencies, near simultaneously.” But that’s not quite right. If anything, it adds other missions to that goal, making the need for further funding inevitable. Here is Gates in his own words during his February 1 defense budget press briefing: “[W]hat I wanted to convey was a much more complex environment, in which you may have to do not just two major conflicts, but a broad range of other things. . . . So I just felt that construct was too confining and did not represent the real world that our country and our military forces are going to face in the future.”

The QDR is equally explicit: “[I]t is no longer appropriate to speak of ‘major’ regional conflicts as the sole or even the primary template for sizing, shaping, and evaluating U.S. forces. Rather, U.S. forces must be prepared to conduct a wide variety of missions under a range of different circumstances.”

What are these missions? Get ready, it’s a long and comprehensive list. They include “prevail in today’s wars,” “prevent and deter conflict,” “prepare for a wide range of contingencies,” “preserve and enhance the all-volunteer force,” “defend the United States and support civil authorities at home,” “succeed in counterinsurgency, stability, and counterterrorism operations,” “build partnership capacity,” “deter and defeat aggression in anti-access environments,” “prevent proliferation and counter weapons of mass destruction,” and “operate efficiently in cyberspace.”

A “dose of realism” is nowhere to be found. In fact, the discussion of “risk” in the QDR seems to assume that it’s the job of defense planning and budgeting to lower every imaginable danger, at any cost.

Worse yet, there is a core assumption in the QDR and defense budget that near-term missions are going to last forever, particularly counterinsurgency, counterterrorism, and stability operations. The case for this projection seems to be based on the idea that Iraq and Afghanistan are the model for future U.S. military operations. Here the QDR and defense budget miss the point completely. Iraq and Afghanistan were wars of choice, designed to overthrow a regime and rebuild those countries. Which other countries will we need to invade and rebuild in the future? Neither the QDR nor the budget

provides any answers, calling into question the logic behind this premise.

Moreover, some of the missions and objectives set out in the QDR and defense budget continue to expand the tasks of the military into areas that traditionally have been the responsibility of civilian agencies. In particular, Defense wants to assume responsibility for building the capacity of other governments, including a major program to train and equip the “security sectors” of those governments (e.g., police, border guards, and special forces). It also wants to provide the type of “development assistance” it has funded directly in Iraq and Afghanistan. As I’ve written time and again, this is a risky strategy for our long-term security because it doesn’t play to the military’s core strengths and because it cloaks our overseas engagement in a military uniform.

The options for the Congress. In the face of pressure to limit spending growth and the U.S. deficit, Congress will need to find ways to ensure adequate national security (not as hard as it sounds), with lower spending than what the Pentagon has requested. This isn’t an unprecedented dilemma. Both the George H. W. Bush and Clinton administrations made major reductions in defense – despite the wailing from defense hawks about readiness and deferred procurement programs. In fact, the Bush-Clinton build-down of the 1990s was one of the most successful in U.S. history. Congress and the Obama administration can do something similar by freezing the defense budget, halting force expansion, re-evaluating the O&M budget, setting priorities in the hardware budget, and carefully trimming unrelated costs from the war budget request. The payoff will be a restrained defense budget that creates discipline and forces priority-setting in defense missions and strategy.

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