



A Disciplined Defense How to Regain Strategic Solvency

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Summary: The United States now spends almost as much on defense in real dollars as it ever has before -- even though it has no plausible rationale for using most of its impressive military forces. Why? Because without political incentives for restraint, policymakers have lost the ability to think clearly about defense policy. Washington's new mantra should be "Half a trillion dollars is more than enough."

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If Rip Van Winkle had fallen asleep in the Pentagon's budgeting office 20 years ago and awoke today, his first reaction would be that nothing had changed. President George W. Bush has asked for \$505 billion for the peacetime U.S. military establishment in 2008 -- almost exactly the amount, in real dollars, that President Ronald Reagan sought in 1988. Rip would start scratching his head, however, when he discovered that the Soviet empire and the Soviet Union itself had imploded more than 15 years ago and that Washington now spends almost as much on its military power as the rest of the world combined and five times more than all its potential enemies together. Told that Pentagon planners were nonetheless worried about overstretch and presidential candidates were vying to pledge even higher budgets and even larger forces, Rip's head might just explode.

The current strains on resources and forces are due, of course, to the wars in Afghanistan and Iraq. But the costs of those wars are not included in the half-trillion-dollar "baseline" figure noted above. A supplemental request for an extra \$142 billion covers them, bringing the total 2008 military budget request to a whopping \$647 billion -- a budget more than 25 percent larger, in real terms, than the one for 1968, at the height of combat in Vietnam, a bigger and bloodier conflict than any the United States has seen since. And even that total figure does not include the \$46 billion budget of the Department of Homeland Security, whose functions would be handled by the Defense Ministry in many other countries.

How would one answer Rip's inevitable questions about what is going on? One might note that everything costs more these days. And one might argue that even so, military spending takes up less of GDP today than it did during the Cold War -- 4.2 percent today compared with 5.8 percent in 1988 and 9.4 percent in 1968. But when pressed, one would have to concede that Washington spends so much and yet feels so insecure because U.S. policymakers have lost the ability to think clearly about defense policy.

In recent years, U.S. national security policy has responded to a visceral sense of threat spawned by the frightening intentions of the country's enemies rather than to a sober estimate of those enemies' capabilities and what it would take to counter them effectively. The United States faces very real dangers today and potentially bigger ones in the future, but these are not threats that can be tamed by current spending on the most expensive components of military power.

U.S. political leaders, meanwhile, have forgotten the craft of balancing commitments and resources responsibly. Nobody younger than 80 can remember a peacetime United States without vast standing armed forces, even though that was the norm for the first 150 years of the republic. So the post-Cold War situation does not seem as odd as it should. Contractors who live off the defense budget have also become more adept at engineering political support by spreading subcontracts around the maximum number of congressional districts. And the traditional constituencies for restrained spending in both major political parties have evaporated, leaving the field free for advocates of excess.

The last two U.S. presidents, finally, have embraced ambitious goals of reshaping the world according to American values but without considering the full costs and consequences of their grandiose visions. The result has been a defense budget caught between two stools: higher than needed for basic national security but far lower than required to eliminate all villainous governments and groups everywhere. The time has come to face the problem squarely. The sole

coherent rationale for increasing military spending -- to try and run a benign American empire -- is dangerously misguided. But a more modest and sensible national security strategy can and should be purchased at a lower price.

HOW SOON WE FORGET

Armchair generals assume that nations decide on their foreign policy objectives and then subordinate everything else to achieving them. Life is more complicated. Threats, opportunities, and risks are always uncertain, but the economic costs of maximum preparedness are definite. And political leaders in a democracy have to pay for other things besides defense and prevent commitments from outstripping resources. Given that Washington has successfully dealt in the past with greater threats than today's, current debates about strategies and budgets can benefit from some historical perspective.

Strategic solvency is an equation with several variables, and during the Cold War, U.S. presidents tilted in different directions to make the balance of commitments and resources come out right. President John F. Kennedy and President Reagan tried to close the gaps between ambitious objectives and limited resources by raising defense spending. President Richard Nixon closed a similar gap the opposite way, trimming military commitments through burden sharing and diplomatic realignments. President Dwight Eisenhower wanted to cut spending while maintaining the commitments he inherited, and he did so by adapting the strategy and accepting greater risk (opting to defend NATO through the doctrine of massive nuclear retaliation rather than with large conventional forces).

Today's supporters of increased military spending justify their advocacy by pointing out that current levels of spending, measured by the share of GDP devoted to defense, are well below those of the Cold War. This is both true and irrelevant. The argument focuses on only one component of the equation -- spending -- and conveniently ignores that the scope of commitments, the choice of strategy, and the degree of risk accepted can be adjusted as well. And it draws the wrong lesson from history, which when properly interpreted suggests that today's lesser threats could be handled with greater aplomb.

During the Cold War, the U.S. armed forces were constantly preparing for World War III. U.S. military strength was geared to be ready to battle an opposing superpower that had 175 army divisions, 40,000 nuclear weapons, and numerous allies. Yet even in the early phases of the Cold War, when tensions were highest and fears greatest, the value of economizing was not forgotten. Defense spending was kept in check by the limits on revenues, the extent of other government spending, and a serious commitment to balancing the budget. As the political scientists Glenn Snyder and Samuel Huntington noted in their classic studies of defense policymaking under President Harry Truman and President Eisenhower, those presidents calculated military spending using the "remainder method": they started with tax revenues, subtracted domestic spending, and gave whatever was left over to defense. Truman did this before the shock of the Korean War caused him to unleash a military buildup; Eisenhower did it to preserve a healthy domestic economic base for strategic competition over the long haul. The remainder method was a strategically arbitrary means of limiting expenditures and was not used for very long. It would not make sense to resurrect it now. But nor does it make sense to benchmark current defense spending against spending during any other phase of the Cold War, given that the Cold War is over.

The last time the United States faced a multipolar international system, in the decades prior to World War II, its peacetime defense spending was usually no more than two percent of GDP. In 1939, the last year before U.S. mobilization for World War II began in earnest, it was only 1.4 percent. Such a level was certainly too low, and the United States learned that lesson for good after Pearl Harbor. But on what grounds can one conclude that the current level should be three times as high? Certainly, it cannot be justified based on any actual threats that the U.S. armed forces might plausibly be expected to encounter. The military capabilities of the United States need to be kept comfortably superior to those of present and potential enemies. But they should be measured relatively, against those enemies' capabilities, and not against the limits of what is technologically possible or based on some vague urge to have more.

PRESENT AND FUTURE THREATS

The Pentagon will have a hard time confronting the underlying problems in defense spending until the United States climbs out of the hole it plunged itself into with the war in Iraq. The war has pushed parts of the U.S. armed forces close to the breaking point. Frequent and extended combat tours of soldiers and repeated deployments of civilian reservists have disgracefully made a small number of volunteers pay a high price for the politicians' miscalculations.

The main response that has been offered to this crisis -- planning for significant growth in the U.S. Army and the Marine Corps -- is dubious. Had the additional forces been available earlier, to be fielded as needed, the increases might have made sense. But it will take several years to recruit, train, organize, and deploy additional ground combat brigades, by

which time the United States will probably have withdrawn the bulk of its forces from Iraq. So unless Washington plans on invading Iran or North Korea or making a habit of launching huge counterinsurgency campaigns in big failed states -- neither of which is either probable or desirable -- it is not clear what purpose permanent increases in the size of the U.S. Army and the Marine Corps are supposed to achieve.

Despite the Bush administration's attempts to conflate the war against Saddam Hussein with the "war on terror," moreover, the two conflicts are not the same. The groups and individuals inspired by al Qaeda will remain a challenge around the world even after the United States manages to extricate itself from Iraq. But the notion popularized by some neoconservatives that the United States is now in World War IV (the Cold War having been the third in the series) is an absurd inflation of the contemporary threat. It also implicitly links all anti-American sentiment in the Islamic world to the radicals who struck the World Trade Center and the Pentagon on 9/11. For observers whose strategic consciousness began on 9/11, Osama bin Laden's forces are as dangerous as Stalin's. But such thinking reflects amnesia about the actual scope of past challenges.

Washington opened the sluice gates of military spending after the 9/11 attacks primarily not because it was the appropriate thing to do strategically but because it was something the country could do when something had to be done. With rare exceptions, the war against terrorists cannot be fought with army tank battalions, air force wings, or naval fleets -- the large conventional forces that drive the defense budget. The main challenge is not killing the terrorists but finding them, and the capabilities most applicable to this task are intelligence and special operations forces. Improving U.S. capacity in these areas is difficult. It requires recruiting, training, and effectively deploying a limited number of talented and bold people with the relevant skills. It does not require half a trillion dollars' worth of conventional and nuclear forces.

In addition to terrorism, the other major security threat to the United States today is the proliferation of nuclear and biological weapons of mass destruction (WMD) -- another problem that cannot be solved through the deployment of large and expensive conventional forces. Air strikes alone are unreliable as a counterproliferation tool, especially when the target has been given ample warning to disperse and hide the infrastructure needed to produce such weapons. At best, bombing can set back a program temporarily; at worst, it can energize it. The only sure military way to eliminate another state's WMD programs in their early stages is to invade that state and occupy it -- a path that the debacle in Iraq makes highly unlikely to be followed anytime soon. In the end, the least unsatisfactory instruments to use are diplomatic and economic ones: rewards for cooperation and sanctions for noncompliance.

Once a state crosses the nuclear threshold, preventive war against it becomes too dangerous to risk. It makes sense to handle the problem through containment and deterrence -- strategies that despite their flaws held the line against Moscow and Beijing for decades. The people who panic over Iran and North Korea today should bear in mind that Mahmoud Ahmadinejad and Kim Jong Il are pikers compared with Stalin and Mao. There is no sure thing in strategy, but given the alternatives it is reasonable to bet that what worked with the earlier despots will work with the later ones as well.

As for possible future threats, China obviously looms large. If its economic growth continues and its internal politics remain stable, it is bound to act like other great powers in history, flexing its muscles for what it believes are its rights and contesting foreign domination of its neighborhood. Worse yet would be an anti-American alliance between a rising China and a recovered, resentful Russia. Even this prospect, nevertheless, does not warrant Cold War levels of military spending right now. Although military rivalry with China is more likely than not, it is not inevitable, and it is not in U.S. interests to make it a self-fulfilling prophecy -- something that premature or immoderate military initiatives targeted at China could achieve. There will be time to prepare before such conflict begins in earnest. The United States remains far ahead in airpower and sea power, the capabilities that a war in the Taiwan Strait would test. Fighting the large Chinese army on the Asian mainland would always be difficult, but the solution to that problem is not larger U.S. forces but a strategy that avoids such combat (except on the Korean Peninsula, where geography makes a defensible front feasible).

The correct way to hedge against the long-term China threat is by adopting a mobilization strategy: developing plans and organizing resources now so that military capabilities can be expanded quickly later if necessary. This means carefully designing a system of readiness to get ready -- emphasizing research and development, professional training, and organizational planning. Mobilization in high gear should be held off until genuine evidence indicates that U.S. military supremacy is starting to slip toward mere superiority. Deferring a surge in military production and expansion until then would avoid sinking trillions of dollars into weaponry that may be technologically obsolete before a threat actually materializes. (The United States waited too long -- until 1940 -- to mobilize against Nazi Germany and imperial Japan. But starting to mobilize in 1930 would have been no wiser; a crash program in aircraft production back then would have yielded thousands of ultimately useless biplanes.)

MYTHS OF EMPIRE

If the current U.S. defense budget is larger than necessary to counter existing and plausible future threats, it is much smaller than necessary to support a truly effective American effort at imperial policing. The notion that the United States has the right and the responsibility to regulate regional peace, discipline violators of civilized norms, and promote democracy and world order is one of the hallmarks of the Wilsonian tradition in U.S. foreign policy. During the Cold War, such ambitions were kept partially in check by Soviet power, but the emergence of a unipolar world has allowed them to flourish.

The global-policing mission aims to protect others, not Americans alone, from immediate threats. Some advocates, emphasizing a new domino theory, would claim that it involves enlightened self-interest, as the immediate threats to others can eventually become immediate threats to the United States if allowed to fester and metastasize. Contract out Middle Eastern stability to local tyrants, let Afghanistan become a safe haven for terrorists, the argument runs, and the result is 9/11. Such logic makes preventive war a legitimate instrument of national security policy.

One major problem with this ambition is that attempts to run the world generate resistance. Local actors rarely see the dominant power's actions as benign or disinterested; external interventions often provoke resentment and nationalist reactions; praise for good results is accorded stingily; and blame for problems, freely. As a result, muscular military activism tends to multiply enemies, whereas sound strategy should reduce and divide them.

A second problem is that domestic support for humanitarian intervention tends to depend on its being quick and cheap, while success on the ground depends on its being sustained and expensive. Political leaders rarely suggest spending a great deal of national blood and treasure on remote problems. The experience in Iraq is likely to reinforce their skepticism about doing so.

These two problems reinforce each other. To have any chance at playing the role of benign hegemon successfully, the United States would need to be more consistent in enforcing international law, overthrowing murderous regimes, preventing governments from acquiring dangerous weapons, and so forth. But the burden of doing so would be huge, requiring national mobilization and exertion far beyond what even the most ardent interventionists ask for today. But if Washington chooses to keep the costs low by backing up its universal rhetoric with limited actions in a few easy cases, its policies will inevitably be regarded as arbitrary, capricious, or driven largely by its own material interests. An imperial role is, therefore, both unaffordable and unwise. The fact that Washington does not presently have the capabilities to sustain it should not be considered a problem.

IMPOSING POLITICAL DISCIPLINE

So how should U.S. policymakers balance their various concerns and arrive at strategic solvency? Truman's and Eisenhower's remainder method of budgeting had the merit of limiting costs but the defect of accepting higher risks than one would want to accept. But the approaches that replaced it after the 1950s have been uncertain improvements. Kennedy came to power after campaigning against the Republican failure to do enough for national security and established the principle that the United States would spend whatever was necessary. The problem then and since has been that there is simply no objective way to calculate how much is enough to guard against potential threats, even when aims and strategies are clear. Analysts with green eyeshades can highlight tradeoffs and efficiencies, but politics always determines whose vision of what is needed prevails.

A significant virtue of a fixed budget ceiling was that it forced the Joint Chiefs of Staff to make difficult choices about program priorities. Despite the Kennedy administration's claims about being willing to spend whatever was necessary, budget ceilings were actually still enforced. But because these ceilings were no longer determined arbitrarily, the size of the pie as a whole and not only the proportions of its slices became a subject of contention. Unable to say that more money was unavailable, civilian managers now had to reject programs requested by the military by saying that they were unnecessary. The process thus forced them to substitute their judgments for those of the military professionals and turned budget discussions into a test of civil-military relations.

Giving up arbitrary budget caps thus inadvertently crippled a prime means of civilian control, the ability to divide and conquer the services and force military professionals to make tradeoffs between programs themselves. Compare the brutal interservice competition in the late 1940s with the civility of recent years. At the start of the Cold War, the air force and the navy had a bitter political battle over which new weapons system, the B-36 bomber or the flush-deck supercarrier, should be the primary vehicle for dropping bombs on the Soviet Union. (Both were eventually procured when defense spending tripled after the Korean War broke out.) In the years after the Cold War, there was no significant argument over whether air force B-2 bombers might substitute for one or more navy carrier battle groups, even though

the threats being confronted were obviously less dire and strategic redundancy obviously less necessary. The B-2 would have looked cheap by comparison with the costs of buying and maintaining a carrier force, yet the air force did not try to argue in public or in Congress that the B-2 was the more cost-effective option for strategic airpower in the twenty-first century. Whereas in the old days the air force might have tried to wrest a share of the aggregate military budget from the other services, in the new circumstances, it directed its lobbying not to the Joint Chiefs of Staff but to the executive branch, subordinating its interest in the B-2 to other procurement priorities within the air force's roster of programs.

The managerial reforms of the 1960s that tried to rationalize resource decisions not only created new difficulties for civilian control; they also contributed indirectly to higher defense spending in the long term by feeding the image of Democrats as antimilitary. The Democrats had regularly favored higher defense budgets than had the Republicans during the first phase of the Cold War and were often tagged as "the war party." With the McGovern campaign of 1972, however, the Democratic Party became identified with opposition to military spending and the use of force and developed a reputation for strategic fecklessness. When this image became a political liability, the party tried to shake it by dropping demands to economize in defense. By the 1990s, Bill Clinton was spending more on defense than the final plans of his predecessor, George H. W. Bush, had proposed. In the 2000 campaign, Democratic candidate Al Gore promised to increase defense spending by \$80 billion over the following decade. And since then, mainstream Democrats have tripped over themselves trying to prove that they are as pro-military as anyone.

During the same period, the Republicans were giving up their traditional fixation on fiscal responsibility. Truman and Eisenhower had favored the remainder method because they had felt a need to balance the federal budget. Later Republicans, from Nixon onward, preserved the rhetoric but abandoned the substance behind it; they put more effort into cutting taxes than cutting spending and let budgets fall out of balance.

Over the years, because of these trends in both parties, the strong political base for restrained defense spending eroded. It was blown away completely on 9/11. As a result, the defense budget has risen in nine of the past ten years at an average annual rate of more than six percent -- a record unmatched in any other decade since World War II, even including during the wars in Korea and Vietnam. (In the 1960s, which included Kennedy's military buildup and the worst years of the Vietnam War, the average annual defense budget increase was 2.5 percent.)

STRATEGIC SOLVENCY

To ask whether the United States can afford higher levels of military spending is stupid. It can, and if necessary, it would. The problem is that there are other important things that the United States wants and can afford too, and a dollar spent on one thing cannot be spent on another. Defense spending has to be balanced not simply against presumed military needs but against other needs as well. Those needs include not just bedrock domestic programs such as Social Security and Medicare entitlements, which are imperiled by looming deficits, but also other programs affecting national security. The State Department, for example, is comparatively starved. It is struggling to staff embassies and project the United States' message around the world with a Foreign Service of a few thousand officers and a requested operating budget of just over \$7 billion. Its total budget request for 2008 -- including foreign aid, contributions to international organizations and peacekeeping missions, and supplementals for operations in Iraq and Afghanistan -- is just over \$42 billion, which is equal to 6.5 percent of the funding request for the Pentagon. For dealing with a world in which many threats stem from political and economic instability and anti-American sentiment, and in which the U.S. government has great trouble communicating at the grass-roots level, these numbers appear badly unbalanced.

Even if there were infinite resources available to support them, military capabilities would still be useful for only some purposes. The ability to use military power to regulate the world according to American values is more limited than post-Cold War optimism assumed. Imperial policing is feasible where the problem consists of individuals or gangs of thugs rather than organized and trained armed forces. In most cases, imposing political order against resistance requires waging war -- a much bloodier and more involved enterprise. The professional military understands this, which is why it usually tries to avoid such policing operations and usually argues for strategies that rely on overwhelming force. Civilians, in contrast, often prefer a lean and light application of military power, in the hopes that significant gains can be had on the cheap. Given the difficulties the United States has had with military interventions recently, there is reason to believe that it will resort to fewer such operations in the near future.

Regaining strategic solvency will take time, and there is good reason not to cut the defense budget drastically. Arguments for restraint, moreover, will go out the window if future catastrophic attacks validate the World War IV notion in public opinion. But should that not happen and should the case for a more modest national security strategy gain ground, it will become easier to limit defense spending and focus it on the threats that merit the most concern. Democrats will have to get over their long battle against the wimp image. Republicans will have to rediscover the virtues of fiscal responsibility.

Powerful armed forces are necessary for U.S. national security, but they should be tailored to counter the threats and vulnerabilities the country actually faces, not to satisfy hubristic ambitions of remaking the world. Ideally, the next administration would make these decisions through a process of calculation less arbitrary than Truman's and Eisenhower's and less constrained than Nixon's. But if the choice were between those approaches and Washington's recent profligacy, one could do worse than to follow the old models. Current advocates of pegging military spending to some higher percentage of GDP are offering a standard just as disconnected from a net assessment of enemy threats as was the remainder method.

Translating a change of direction into specific spending cuts would involve hard choices, rough bargaining, and much blood on the floor of the political arena. The sentiment in favor of defense increases since 9/11 has been so broad that few organizations associated with mainstream policy thinking are yet offering systematic options for reduction.

Even the Institute for Policy Studies, usually considered to be far to the left of the mainstream, offers a recommendation that would bring the baseline defense budget down by only about \$56 billion, or 11 percent, and total military spending down by less than nine percent -- a far cry from the McGovern campaign's call for a one-third cut in the late stages of the United States' last unpopular war. The institute's suggested defense budget for 2008 includes trimming or canceling the procurement of F-22, F-35, C-130J, and V-22 aircraft; Virginia-class submarines; and Zumwalt-class destroyers and the funding for the army's Future Combat Systems program, national missile defense, space-based weapons, nuclear systems, research and development, and deployed air force and naval forces. Some of these suggestions may be ill advised (for example, cuts in research and development would not be compatible with shifting toward a mobilization strategy). But implementing even half of the suggestions would cut the baseline budget (not current war spending) by almost six percent.

Marshaling the political will for restraint will be an uphill battle. A starting point might be the slogan "Half a trillion dollars is more than enough." Modest reductions for a few years and a steady budget eroded by inflation for a few more could tighten the system's belt. The case for cuts should be made on the principle that expensive programs must fulfill unmet needs for countering real enemy capabilities, not merely maintain traditional service priorities, pursue the technological frontier for its own sake, or consume resources that happen to be politically available.

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