

For the Sake of National Security, the Pentagon Must Tighten Its Belt

Carl Conetta and Charles Knight

Early in 2010, President Obama called for a freeze on most federal discretionary spending, notably exempting national defense. But few would be surprised if defense faces some real cuts in 2012 and after. There is already gathering a perfect storm of public concern about the national debt. And the bipartisan National Commission on Fiscal Responsibility and Reform, formed by the President in February, is not bound by the fence that the administration erected around the Pentagon budget.

So how big is the deficit and debt burden for America? And, if the Pentagon has to take a hit a year from now, how can it trim spending without jeopardizing national security?

Currently the federal government is running a deficit that is a little more than 8 percent of GDP. A good piece of this is crisis spending meant to lift the economy out of the severe recession it entered two years ago.

According to the administration's plan, this deficit is to be reduced. Starting in 2012, it will average a bit more than 4.3 percent of GDP, remaining at that level for the subsequent six years. This target is remarkably similar to the average deficits during the Reagan and George H.W. Bush presidencies from 1980 to 1992. What is more problematic is the nearly unprecedented level of accumulating national debt.

In 2008, the gross federal debt stood at 70 percent of GDP. In 2017, it is projected to be 104 percent of GDP. It hasn't been that high since World War II, when emergency war spending boosted the gross national debt from about 50 percent of GDP (1940) to 120 percent (1945). After the war, it took about 20 years for the debt to recede to below 50 percent of GDP.

Right now, government planning doesn't take us beyond 2017, but there should be little doubt about the prospects of some combination of spending cuts and tax increases ahead. How much of each will be hotly contested.

If the Pentagon is compelled to economize, what are the opportunities to do so? In fact, there are many – although the permissive spending environment of the past 10 years sapped any incentive to pursue them.

Here are some of the measures that could yield or enable many billions of dollars in savings:

- Invest more authority in the joint staff of the armed forces so that it can effectively integrate and direct planning, acquisition and budgeting. This would make it possible to trim redundancies in the missions and capabilities of the various services. Only joint authority can compel the services to integrate their modernization efforts in accord with a cost-effective and sustainable security strategy.
- Rationalize and consolidate wherever possible individual service maintenance depots, training programs and facilities, commissaries, service schools, and medical, legal and chaplain services.
- Make a concerted effort to reduce the complexity of the military establishment. This means streamlining and consolidating some of the many agencies, offices, and commands that presently operate at every level within and across the services. Although broadly recognized as an imperative ever since the military began its post-Cold War drawdown, streamlining efforts during the 1990s never got very far.
- Put a break on the rapid expansion of Pentagon global peacetime and operational ambitions and authorities. Trim away the roles and missions that are no longer of the high-

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.fpif.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>

est priority – and become much more circumspect about adding new ones.

- Get the Defense Department’s finances in order. The Pentagon’s persistent and pervasive failure to pass an audit makes rational decision making nearly impossible. So balancing the books should be seen as a national security imperative. Good decision making also requires that the Pentagon account for how it allocates its funds and efforts among missions, new and old – something it doesn’t currently do.

None of the above will happen unless Congress and the Obama administration make it happen. The political risks in doing so may seem daunting. But there is nothing suggested here that would weaken U.S. national security. Clarity of purpose, financial accountability, efficiency and sustainability are not the enemy. Instead, they offer the only hope for ensuring our strength against the fiscal storm ahead.

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<http://www.nationaldefensemagazine.org/archive/2010/May/Pages/PentagonHastoTightenitsBelt.aspx>