

July 12, 1991

THE DEFENSE BUDGET DEBATE: IS BUSH ASKING THE RIGHT QUESTIONS?

INTRODUCTION

As the Senate this month begins its consideration of the fiscal 1992 Pentagon budget, it already is certain that over the next five years the military machine that won the Cold War and defeated Iraq will be largely dismantled. Thousands of weapons are destined for the scrapheap; hundreds of thousands of professional soldiers, sailors, and airmen will be sent packing. By 1996 America will be spending nearly one-third less for defense than it spent in the mid 1980s; it will have its smallest army in over 45 years; and it will be committing a smaller portion of its national wealth to defense than at any time since before World War II.

What the Pentagon will look like and how it intends to defend America is outlined in the Bush Administration's Future Years Defense Plan — known in the bureaucracy as the FYDP — which was the basis for the Administration's Pentagon budget request last February 4. The plan leaves little margin for error. Under the FYDP, the Army will drop from eighteen active divisions to twelve — eight were needed for Operation Desert Storm alone; Air Force active fighter wings will be cut from 24 to fifteen; and the Navy will lose over 100 of its 545 ships. With the budget falling by 33 percent in real terms since 1985, there will be little hedge against the inevitable weapon cost overruns, or against less-than-anticipated savings from Pentagon management reforms, or against porkbarrel programs stuffed back into the budget by Congress.

Pentagon Reservations. Yet even as America cuts its force dramatically, Soviet spending continues apace in such key areas as strategic nuclear forces and naval shipbuilding. In part for this reason, even Defense Secretary Dick Cheney and Joint Chiefs of Staff Chairman Colin Powell have expressed reservations about their Administration's own plan. Cheney this February cautioned Congress that any reversal of "positive developments" in the Soviet Union would warrant changes in America's own

plans.¹ Powell a fortnight later warned that even if the Soviet threat continues to recede, impending defense cuts inexorably will leave America facing "increased risks."²

Sound Basic Approach. This is not to say that serious reductions in America's armed forces are not warranted. They are. With the demise of the Warsaw Pact and with the Soviet Union itself facing economic and political collapse, the Soviet military threat to America and its allies has been reduced substantially. Moreover, Bush's basic approach to defense spending cuts is sound. He envisions a relatively small but modern and well-trained post-Cold War military. And the cuts anticipated over the next five years will provide American taxpayers with a tangible "peace dividend" of \$131 billion less spent on the Pentagon than was proposed in 1990.³

But Bush's defense plan and fiscal 1992 defense budget cut close, perhaps too close, to the bone. Choices will have to be made carefully to minimize the risks that military budget reductions inevitably will mean. Among the questions Bush and the Congress should be asking themselves about pending cuts:

- 1) **Is Bush genuinely serious about the Strategic Defense Initiative?**
- 2) **Will American strategic nuclear strength be preserved?**
- 3) **Is America heeding the lessons of Desert Storm?**
- 4) **Are Navy capabilities endangered?**
- 5) **How low is too low?**

As Bush and the Congress ponder these questions, they may reach some unsettling conclusions. Among them:

- ◆ **1) Bush's own SDI plan for defending America against Third World or inadvertent Soviet missile strikes is in serious trouble, and much of the fault lies with Bush himself. He has yet to demonstrate strong support for his own SDI program, and this year may be his last chance to prove his commitment to a missile defense for America;**
- ◆ **2) Key strategic nuclear programs are in danger. Last year's budget summit caps Pentagon spending. As long as Congress insists on remain-**

1 Statement of Secretary of Defense Dick Cheney before the House Armed Service Committee, February 7, 1991. Cheney warns that the cuts are conditioned on a "continuation of the positive developments in Eastern Europe and the U.S.S.R."

2 Statement of General Colin Powell, Chairman of the Joint Chiefs of Staff, Senate Armed Services Committee, February 21, 1991.

3 Department of Defense, "FY 1992-93 Department of Defense Budget Request," Office of ASD Public Affairs, February 4, 1991.

ing within the budget agreement, the money for strategic forces too implicitly is capped, unless the Pentagon shifts resources between major program sectors. This would require a major shift. While theoretically and technically this could be done, Pentagon and Capitol Hill politics make it very unlikely. With funds therefore capped, money should be spent in a way that keeps open America's options as events develop in the Soviet Union and as Washington and Moscow enter the final stage of their strategic arms negotiations. The President's budget, however, closes rather than opens options. The budget funds four B-2 "stealth" bombers while eliminating such key programs as keeping open the MX *Peacekeeper* missile production line, keeping development of the *Midgetman* missile on schedule, and fixing the electronic defenses of the B1-B bomber. If Congress and the White House are willing to break the budget agreement to fund four B-2s and these other programs, they should. If they are determined to stick by the budget summit deal, then it would be prudent to trim the order for the B-2 to two this year, thus keeping open America's strategic weapons options by funding the other programs.

- ◆ 3) **Desert Storm highlighted shortcomings in the Bush plan, which was prepared largely before the fighting began.** It now is clear that America will need more sealift, better mine sweeping capabilities, a revamped manpower reserve system and other basic improvements not accommodated by the Bush plan;
- ◆ 4) **The Navy is in trouble.** The Pentagon soon will retire America's last two battleships, irreplaceable symbols of American power abroad. But the Navy's problems go deeper. A study released in June finds that planned funding will not support even the reduced fleet now anticipated, jeopardizing the Navy's ability to project American power abroad;
- ◆ 5) **America will have to keep a close eye on cuts in coming years or risk losing superpower status.** Across the board, it looks increasingly unlikely that the U.S. can field the forces and weapons now planned for with the dollars that the White House and Congress plan to make available under the 1990 budget agreement.

Some of these issues are amenable to short-term fixes, even within this year's Pentagon budget cap. Money saved from reducing the B-2 order can keep open MX production lines, fix the B-1B's electronic defenses, preserve the battleships for another year, improve sealift, and take care of other nuts and bolts issues highlighted by Desert Storm. Other problems, such as a Navy that is shrinking too far too fast, and a Soviet military that continues stubbornly to resist deep cuts in its own budget, will require longer term attention and a willingness to reconsider cuts planned for coming years, even if it means exceeding budget caps.

THE NEW BUSH STRATEGY

On the day last August when Saddam Hussein invaded Kuwait, George Bush coincidentally was in Aspen, Colorado, delivering a speech sketching a new American global strategy.⁴ No longer were American forces to be structured, he said, mainly to meet the threat of global war with the Soviet Union. Now, instead, the focus would be on preparing for “regional contingencies” such as the Gulf war in which America was about to become embroiled. Details of a new strategy were filled in over the year by other Administration officials, and are reflected in the Joint Chiefs of Staff’s Military Net Assessment for 1991.⁵

During the 1960s, in the midst of the Cold War, America’s military forces were designed in theory to fight “two-and-a-half” wars — major wars in Europe and Asia, and a smaller contingency elsewhere. During the “detente” of the Nixon Administration, the requirement was reduced to “one-and-a-half” wars.

Now, America’s armed forces have been told they need only prepare on short notice for two “regional contingencies” — or “half wars” — and to assume between a year-and-a-half and two years of preparation for a global conflict against the Soviet Union.⁶ The shift in American thinking assumes that Moscow’s ability to launch a short-notice offensive into the heart of Europe has been virtually eliminated by: 1) the disintegration of the Warsaw Pact; 2) the expected withdrawal of all Soviet forces from Eastern Europe by the end of 1994; 3) reductions in Soviet tanks and other weapons pursuant to the still-unratified Conventional Forces in Europe (CFE) Treaty; and 4) Moscow’s internal economic and political problems.

European Imbalances. If Moscow were to make a grab for territory in Europe in the next few years, the assumption now goes, the most likely target would be NATO’s “flanks.” This means Scandinavia to the north, where Moscow still is building up forces, or Turkey and the Mediterranean to the south.⁷ Moscow also conceivably could launch an attack aimed at re-occupying Czechoslovakia, Hungary, Poland, or other former members of the Soviet empire. Even if the Conventional Forces in Europe agreement is ratified and observed scrupulously by Moscow, these local imbalances between the Soviet Union and its smaller neighbors,

4 Remarks by the President to the Aspen Institute Symposium, August 2, 1990.

5 The best summary of the new strategy is James J. Tritten’s *America Promises to Come Back: A New National Strategy*, Naval Postgraduate School, Monterey, CA, 1991. See *Military Net Assessment*, Department of Defense, Office of the Joint Chiefs of Staff, March 1991, for the military’s description of the new strategy.

6 Author’s discussions with high-ranking Army staff officials. See also Joint Military Assessment 1991, *op. cit.*, and Defense Budget Project, *Responding to a Changing Threat: Task Force on the FY 1992 - FY 1997 Defense Plan* (Washington, D.C.) 1991.

7 The Norwegian Defense Ministry recently complained about modernization of Soviet air forces and the Northern Fleet on the Soviet Kola Peninsula, bordering on northern Norway. See *Non-Offensive Defense*, Center for Peace and Conflict, University of Copenhagen, March 1991, p. 10.

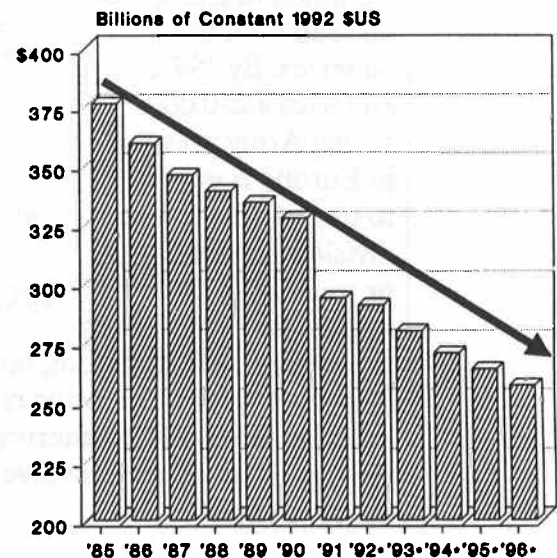
either singly or collectively, will remain.⁸ It is with these smaller contingencies in mind that U.S. and NATO forces in Europe will be restructured in coming years.

Massive Shift. The presumed decline in the Soviet military threat is but one factor driving the reduction of America's armed forces; the other is the budget. The October 1990 "budget summit" agreement between the White House and Congress sets defense spending ceilings for fiscal 1992 through 1993, and limits overall discretionary spending for 1994 and 1995 without setting the exact mix between military and domestic spending. As a result, defense budget authority, after accounting for inflation, dropped 10.3 percent in fiscal 1991, and will drop by one percent in fiscal 1992 and 3.8 percent in fiscal 1993. If Pentagon plans hold, by fiscal 1996 the budget will have dropped by a total of just over one-third in real buying power from its Reagan years peak in fiscal 1985. This massive shift in resources away from defense will have a tremendous impact on the future of America's armed forces.

Over the next five years, military manpower will drop from about 2 million to 1.65 million. This will cut 21 percent from personnel costs, which account for about one-fourth of the Pentagon's budget.⁹ Manpower cuts then will mean fewer troops to train, arm, house, and feed, resulting in further savings. By cutting deeply into manpower, the Pentagon hopes to avoid repeating its mistakes of the 1970s, when it kept over 2 million men under arms during a period of declining budgets. The result then was a "hollow force," impressive on paper, but lacking a clear professional and technological edge over potential adversaries.

But even with these cuts, less money will be available for research and weapon modernization. Research and development funding will drop by just over 21 percent between 1990 and 1996.

Defense Spending 1985-1996



Source: Defense Budget Project, *Analysis of the FY 1992-93 Defense Budget Request*, Heritage DataChart 1991
•Estimated

8 See Ivo Daalder, *The CFE Treaty: An Overview and an Assessment*, Johns Hopkins Foreign Policy Institute, 1991. Daalder discusses subregional imbalances in detail.

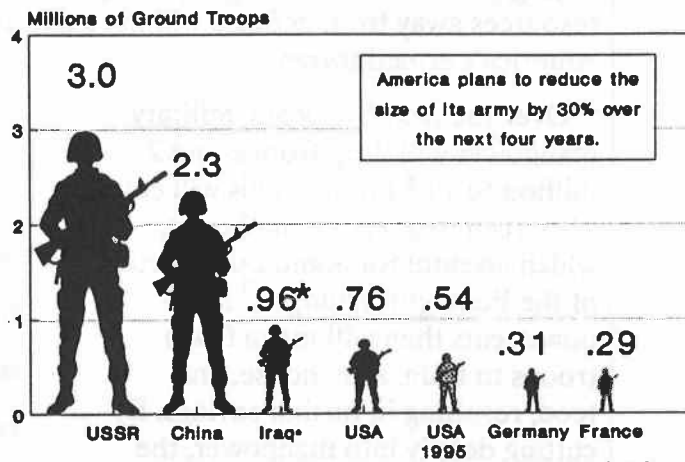
9 Stephen Alexis Cain, *Analysis of the FY 1992-93 Defense Budget Request*, Defense Budget Project, February 7, 1991, Table 8.

During this same period, money available to procure new weapons and upgrade old systems will plunge by close to 30 percent.¹⁰

Cuts in fighting power will not be “across the board,” affecting all services equally; some will be harder hit than others. The Army will suffer the most, losing 245,000 of its 781,000 officers and enlisted men and women, and shrinking from eighteen active divisions to twelve divisions. The Air Force will lose 170,000 billets, and drop from 24 to fifteen active fighter wings. Navy manpower cuts will be kept to 77,000, but the service will lose 94 of its 545 battle force ships, including both battleships and two aircraft carriers.¹¹

The reasoning for the asymmetric cuts is sound. The Army’s main mission, defending Europe from Soviet aggression, now requires far fewer troops stationed in Europe or on ready call in America. By 1995, America’s 250,000-strong Army presence in Europe is expected to be reduced to two divisions plus support, or roughly 75,000 troops. Even in a changing strategic environment, however, the Navy will continue to be the service most responsible for influencing regional events wherever America’s interests may be at stake. Since 1945, American forces have been involved in 240 crises, of which maritime forces were involved in 202; only eighteen of these directly involved the Soviet Union.¹²

Ground Armies of the World



Source: IISS, *The Military Balance 1990-1991*, and from other sources.

Heritage DataChart 1991
*Prior to Operation Desert Storm

ENTERING AN UNCERTAIN ERA

America’s armed forces are being reduced dramatically just when American defense planning is becoming an increasingly difficult task. America’s principal adversary of the past four decades apparently is collapsing, but has not yet collapsed.

10 See Benjamin F. Schemmer, "Huge Weapons Cuts Yield Small Savings," *Armed Forces Journal*, June 1991, p. 18.

11 Department of Defense Press Release No. 52-91, *op. cit.*

12 Charles W. Corddry, citing U.S. Navy statistics in "Even As Navy Builds Up Its Middle East Forces, A Drastic Build Down Is Being Eyed By Planners," *Sea Power*, January 1991, p. 13.

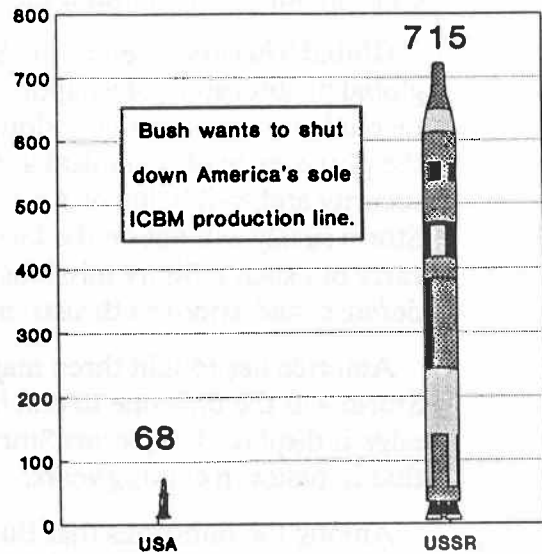
It remains uncertain whether this collapse will or can be arrested, or whether it will proceed peacefully or violently. Secretary of Defense Cheney explicitly has stated that planned cuts in America's military forces depend on continuing "positive developments" in the Soviet Union; he, however, offers few details.¹³

The evidence on Soviet defense policy is murky. On the one hand, Soviet military expenditures seem to be falling somewhat, or at least to have leveled. CIA estimates show a 6 percent decline in 1989 and another 6 percent in 1990, although dissenting voices within the Defense Intelligence Agency say Soviet military budgets show virtually no change.¹⁴ There has been a decrease in Soviet production of tanks, artillery, light armored vehicles, and some combat aircraft, including the MiG-29 *Fulcrum* and Su-25 *Frogfoot*.¹⁵

On the other hand, Soviet military spending today is higher than it was when Soviet leader Mikhail Gorbachev took office in 1985. In the same period, of course, American defense spending has dropped by 22 percent.¹⁶ Despite cuts, the Soviet Union still outproduces America by wide margins virtually across the board, including tanks, artillery, and aircraft. Soviet naval shipbuilding, including the production of large-deck aircraft carriers and submarines, continues unabated.

Soviet strategic nuclear programs also forge ahead, with the continued deployment of the SS-24 and SS-25 mobile Intercontinental Ballistic Missiles (ICBMs), a new more ac-

Total Intercontinental Ballistic Missile Production: 1985-1990



Source: U.S. Department of Defense, *Soviet Military Power, 1990*.

Heritage DataChart 1991
•1990 production estimated.

- 13 Statement of Secretary of Defense Dick Cheney before the House Armed Services Committee, February 7, 1991.
- 14 U.S. Congress, Joint Economic Committee, *Beyond Perestroika: The Soviet Economy in Crisis*, 1991, CIA/DIA testimony. CIA figures should not necessarily be taken as definitive. NATO puts the decline for 1989 at four percent rather than six percent, see "Soviet Figures Low," *Jane's Defense Week*, January 5, 1991, p. 14. Moreover, during the 1980s, the CIA consistently underestimated increases in the Soviet defense budget. See Committee on the Present Danger, *Russian Military Expenditures*, April 24, 1991.
- 15 CIA unclassified paper, "What is the Soviet Threat," February 22, 1991.
- 16 Budget authority, after accounting for inflation.

curate Sea-Launched Ballistic Missile (SLBM), continued production of cruise-missile-carrying *Bear H*, *Blackjack*, and *Backfire* bombers, and five or six new Soviet long-range ballistic missile-carrying submarines under construction.¹⁷ This program dwarfs the U.S. strategic program in cost and output; from 1985 to 1990, Moscow produced 715 new ICBMs to America's 68, and 450 bombers to America's 104. Referring specifically to these nuclear capabilities, Chief of the Soviet General Staff, General Mikhail Moiseyev boasted earlier this year to a U.S. member of Congress of Moscow's ability to "grab you [the U.S.] by the throat with our hands."¹⁸

The bottom line: even as Gorbachev and Soviet reformers talk about large-scale conversion of the military sector to consumer industries, the military remains entrenched, and Soviet Defense Minister Dmitri Yazhoy continues to plan for steady military budgets through the rest of the decade.¹⁹ While it is unlikely that the military can sustain these budgets in the face of the shrinking Soviet economy and fractious political forces, it gives every sign that it intends to try.

Global Threats. Even as the Soviet threat becomes less clear, such issues as the global proliferation of weapons of mass destruction, spread of ballistic missile technology, regional aggression, challenges to the access to critical resources, and the persistence of tyrannical anti-Western regimes continue to pose threats to the security and well being of Americans and to America's global interests. Desert Storm surely will not be the last time that American forces will be called upon to carry out such military missions as sea control, command of the air, missile defense, and armored thrusts in the defense of these interests.

America has fought three major wars since the end of World War II; Desert Storm was the only one to end in a clear-cut victory. If America wants to keep the edge it displayed in Desert Storm, it must be careful about the defense choices that it makes in coming years.

Among the questions that Bush and the Congress should be asking themselves as they contemplate these deep cuts:

17 CIA, *op. cit.*; See also Statement of Secretary of Defense Dick Cheney before the Senate Armed Services Committee, February 21, 1991.

18 Confidential discussion between Moiseyev and a member of the U.S. Congress, 1991.

19 Defense Ministry Draft Reform Plan, U.S.S.R. Ministry of Defense, FBIS reprint, December 12, 1990, pp. 62-75.

Question #1: Is Bush genuinely serious about SDI?

For the Strategic Defense Initiative, these are the best and worst of times. On the one hand, the Gulf war brought home to Americans, and to the Congress, the value of defenses against ballistic missiles — even imperfect defenses. As a result, a bi-partisan consensus has formed over the need to develop and deploy further such anti-tactical ballistic missile systems as advanced *Patriots* and the U.S.-Israeli *Arrow* to defend allies and U.S. troops in the field against shorter-range missiles similar to the *Scud*. There also are signs of an emerging consensus that the U.S. will have to deploy at least some ground-based defenses against an accidental or unauthorized ballistic missile launch from a collapsing Soviet Union or an outlaw Third World nation.²⁰

On the other hand, Bush's proposal for a comprehensive SDI program is in desperate trouble. Known as G-PALS — for Global Protection Against Limited Strikes — the Bush plan includes 1,000 space-based interceptors known as *Brilliant Pebbles*. G-PALS funding was eliminated by the House of Representatives on May 22; prospects in the Senate do not look good. Three key Republican Senators, including Armed Services Committee ranking Republican John Warner of Virginia, have abandoned G-PALS in favor of a system with only ground-based interceptors, for which they hope to gain bi-partisan backing.²¹ Without House support for G-PALS, and without Warner in the Senate, only Bush can save the program.

Seeking Bush Leadership. Yet one of the reasons why Warner and others have retreated from G-PALS is Bush's past failure to back his own SDI budget requests strongly. Year after year, Bush has seen his SDI budget request slashed by Congress by up to 30 percent without as much as a credible veto threat to fight the cuts. Moreover, while Bush's SDI plan would require major changes in the 1972 U.S.-Soviet Anti-Ballistic Missile (ABM) Treaty before G-PALS could be deployed, he never has given his backing to any measures, including one proposed last March by Warner, to put Moscow on notice that the U.S. is serious about renegotiating the ABM Treaty.

Warner and other SDI supporters, it privately is said, are looking for some leadership and commitment from the White House. They are waiting for Bush to engage Moscow in talks to renegotiate the ABM Treaty; they are waiting for Bush to back his SDI budget request with a credible veto threat. Without a veto threat, they are telling Bush, they will cut their own deal with the Democrats, and the President will lose control over his SDI program.

²⁰ See Representative Les Aspin, "Building a Consensus on Missile Defenses," Speech to American Defense Preparedness Association, June 27, 1991.

²¹ See John Warner, Richard Lugar and William S. Cohen, "The Future of Ballistic Missile Defenses and the ABM Treaty," June 7, 1991.

If Bush is serious about SDI, he must now show it. The opposition to SDI has been discredited on the question of theater missile defenses and discredited on the question of ground-based defenses. With Bush's backing, an effective defense, including space-based systems, probably is within grasp. Without it, SDI still will be deployed, but more slowly and under greater arms control restrictions. And it no longer will be the President's program.

Question #2: Will American strategic nuclear strength be preserved?

The Bush defense budget cancels, delays, or pares back just about every strategic nuclear weapon in the defense budget. These are the systems on which America relies to deter Soviet attack. Heritage Foundation private discussions over the past several months with Pentagon officials and senior Capitol Hill aides leave no doubt that a major reason for cutting these strategic weapons programs is to protect funds for another strategic weapon, the B-2 "stealth" bomber. Some \$35 billion already has been spent developing this aircraft, which is a marvel of technology. It is estimated that it would cost roughly an additional \$30 billion to build a 75-plane fleet.

The real problem for the President and Congress is the budget agreement, which severely constrains Pentagon spending, including in effect spending for strategic weapon programs. The Bush Administration this year wants to buy four B-2 bombers, and has requested \$3.2 billion in procurement funds and \$1.6 billion in research and development funds for the program. In part to obtain these funds, the Administration would: 1) shut the production line of the MX *Peacekeeper* missile — America's only intercontinental missile now in production; 2) stretch out until 1997 the development of the *Midgetman* ICBM, a single-warhead missile whose mobility will ensure that it survives Soviet attack; and 3) provide zero funds this year to fix the electronic defenses on the Air Force's existing strategic bomber, the B-1B. Unless Congress and the White House decide to break the budget agreement, which would be a reasonable decision, only two B-2s should be bought this year. About half of the \$1.5 billion that would be spent on the extra two B-2s could be spent to meet other strategic priorities.

Appropriate Response. Soviet strategic programs have been relatively immune to the political and economic pressures that have begun to force cutbacks in other areas of the Soviet military budget. If the Soviet Union continues to modernize its bomber defenses and strategic forces at the rates of recent years, America will have to respond with a robust nuclear modernization program of its own. Just as Reagan responded to Brezhnev's nuclear buildup with the B-1B bomber, MX *Peacekeeper* and *Trident* II missiles, an unremitting Soviet buildup in the 1990s would require a U.S. response, including a full fleet of B-2s. This kind of response could not be accommodated within currently projected budgets. If, however, the collapse of Soviet political and military power accelerates, the U.S. undoubtedly will find itself cutting back its own strategic forces over the next few years, including the B-2.

America is winning the Cold War, but it has not yet won. During this uncertain interim period, the U.S. should focus on fully developing and testing new strategic weapons systems, and should keep production lines open for its existing systems, albeit at low rates, in order to be able to “surge” production in coming years if warranted by developments in Moscow.

This means that the B-2 production line should be kept open for now; but given budget constraints, it would be prudent for the Air Force to buy two B-2s this year, rather than the four requested by the Bush budget.

For the same reason that events in Moscow make it too risky for Washington to shut the B-2 line altogether, it should not shut the production line for the MX *Peacekeeper* missile, the only U.S. ICBM now in production. The line could be kept open with \$200 million. This will produce missiles needed for adequate testing of the MX, even if no more of the missiles ever are deployed.²²

Keeping *Midgetman*. Other strategic programs bumped for the B-2 also should be restored. Funds for the *Midgetman* development program should be restored to move up the anticipated deployment date to 1995 from 1997. *Midgetman* is designed to correct the most serious problem with America’s strategic forces, the vulnerability of its land-based missiles. This is a vulnerability that Moscow’s strategic modernization program is designed to exploit. Restored too should be the approximately \$300 million to fix the B-1B’s faulty electronic counter-measures system. This will ensure that America’s current strategic bombers will be able to penetrate to their targets for at least the next decade.

In wars from Vietnam to Operation Desert Storm, America has used giant B-52 bombers, originally designed to strike deeply inside the Soviet Union with nuclear bombs, to drop conventional bombs. Now that the approaching end of the Cold War brings into question the need for a new strategic nuclear bomber capable of attacking the U.S.S.R., the Air Force and the Pentagon increasingly are arguing that the B-2 has a role as a conventional bomber. The argument is not without merit. The B-2 could penetrate the most heavily-defended conventional targets anywhere in the world within 24 hours. But questions remain about whether the B-2 would add enough to U.S. conventional bombing capabilities to justify its price tag on this basis alone, given the capabilities of existing bombers, particularly once these are equipped with the new 100-mile range conventionally-armed “stealth” air-to-ground missile now in development.²³

²² The author is grateful to Peter Huessey for his thoughts on the MX.

²³ *Defense Daily*, June 7, 1991, p. 1.

Question #3: Is America heeding the lessons of Desert Storm?

America in a sense is haunted by the success of Desert Storm. The victory now is invoked across-the-board as justification for new or proposed programs for which Desert Storm really did not make the case either way.²⁴ To be sure Desert Storm clearly did make the case for some programs. The demonstrated importance of command of the air to a successful military campaign strengthened the case for the new, stealthy F-22 *Lightning* air superiority fighter.

But most of the clear lessons from Desert Storm do not concern specific weapon systems. And most lessons were provided not so much by what went right, but by what could have gone better. Since the Pentagon's Future Years Defense Plan (FYDP) and fiscal 1992 budget were prepared before Desert Storm, some changes may be needed in light of lessons learned.

Example:

Sealift. From August 7, when U.S. forces were put on alert, it took the Army two-and-a-half months to move the first two U.S. tank-heavy divisions to the Persian Gulf. The reasons: lack of readily available "strategic" sealift ships and failure to mobilize the cargo ships of the "Ready Reserve Fleet" (RRF) quickly.²⁵ If Iraq had decided to attack Saudi Arabia quickly, the delay in dispatching large numbers could have been the difference between victory and defeat.

Sealift is critical. Some 90 percent of the military cargo sent to the Persian Gulf during Operations Desert Shield and Desert Storm moved by sea, not air. In coming years sealift will become even more important. With a smaller force based closer to home, the Army is counting on improved sealift to move its tank-heavy forces quickly into battle. The Pentagon needs at least ten more "strategic" sealift ships to meet the Army's requirement to move two tank-heavy divisions anywhere in the world within thirty days.²⁶ General Hansford T. Johnson, in charge of the Pentagon's Transportation Command, also recommends, given the lessons of Operation Desert Shield, that at least twenty modern ships be added to the RRF and that more ships be added to preposition Army equipment in such potential crisis areas as the Persian Gulf.²⁷

24 Dov Zakheim makes this argument in "Top Guns: Rating Weapons in the Gulf War," *Policy Review*, Summer 1991.

25 The Pentagon now uses the term "strategic" sealift rather than "fast" sealift. "Strategic" sealift refers to ships that make at least 25 knots, and have a 200,000 square foot capacity, and a "roll-on roll-off," or "ro-ro" loading capability.

26 Author's interview with Army Chief of Staff officials.

27 Testimony of General Hansford T. Johnson, USAF, cited in "TRANSCOM CinC Supports More Sealift to Meet Army Needs," *Armed Forces Journal*, June 1991, p. 13.

The Pentagon is not giving sealift the attention it deserves. Over the past two years, the Pentagon has shunted into other parts of the budget at least \$217 million authorized by Congress for sealift, and has not spent \$1.28 billion appropriated for sealift in 1990 and 1991 because it has been slow in defining its sealift requirements. This year's budget request asks no additional funding for sealift.

Example:

Reserve forces. Reserve support units, such as medical personnel and maintenance crews, generally performed well in the Persian Gulf war, with one exception: National Guard "roundout" combat brigades. These brigades of about 4,800 soldiers each, are meant to fill out active army divisions in wartime. They were supposed to have been ready for combat in about 60 days; they still were not ready after six months, and never made it to the Gulf. There are many reasons for this, including insufficient training time prior to callup, undermanning, and not enough training in peacetime with active units. Whatever the reasons, one thing is clear: the concept just did not work as the Army had anticipated. Yet three of the twelve divisions that will comprise the Army of 1995, an Army one-third smaller than today, are slated to include roundout brigades. With a smaller Army, this will be too much of a risk. The roundout brigades should be eliminated, and the Army of 1995 should be expanded by 15,000 active-duty slots to fill in the gap. The National Guard can be cut commensurately.

Example:

Nuts and bolts. While high-tech weapons got the headlines, Desert Storm revealed that the failure of less-glamorous systems often can frustrate commanders and put American lives at risk. Navy Secretary H. Lawrence Garrett and General Carl Stiner, head of the Pentagon's Special Operations Command, have pointed to the need to improve the Navy's ability to counter underwater mines;²⁸ the reason the Marines did not attempt an amphibious landing in Kuwait may well have been the mine threat. General Norman Schwartzkopf has identified a need for improved battlefield intelligence. Army tow trucks (known by the military as "recovery vehicles") often had a tough time moving tanks that broke down or got stuck; in 1990 the Pentagon cancelled plans for an improved recovery vehicle to pay for higher-profile weapons. Pentagon plans for coming years will have to be adjusted to attend to these nuts and bolts issues.

28 See testimony of General Carl Stiner, Senate Armed Services Committee, June 20, 1991.

Question #4: Are Navy capabilities endangered?

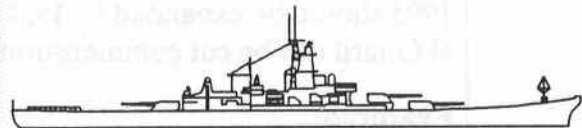
The Bush defense plan calls for fewer cuts in the Navy than any other service. Yet it is the Navy, more than any other service, whose ability to carry out its mission is threatened by impending cuts. While the Navy will be cut less, the toll still will be steep: the fleet reduced from its current 545 ships to 451 ships by 1995, and to 415 ships by 2010.

The Navy's most important — and most likely — mission in the 1990s will be to project American power overseas. Yet power projection capabilities will be cut quickly and dramatically by the elimination of the last two Navy battleships, revived in the 1980s precisely because the Navy lacked firepower. Outfitted with their 16-inch guns, says recently retired Marine Corps Commandant Alfred M. Gray, the battleships were the only ships in the Navy that could have provided enough ship-to-shore firepower to support an amphibious landing in Kuwait.²⁹

The U.S. was fortunate in Desert Storm to be able to operate from nearby Saudi Arabia. This may not be the case in future conflicts.

In an effort to save the \$35 million per year that it costs to man and run a battleship, the Pentagon is eliminating an irreplaceable military capability. With its foot-thick armor plating, a battleship is the only vessel that can shrug off hits from the *Exocet* sea-skimming missiles that took the frigate *Stark* out of commission in 1987, or the mines that disabled the cruiser *Princeton* in the Gulf War. The battleship is a unique symbol of American power, operated by no other navy in the world. Outfitted with *Tomahawk* missiles in the 1980s, the revival of the battleship was emblematic of America's revival as a naval power.

Iowa-Class Battleship



| | |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| First Commissioned: | 1943 |
| Length: | 887 feet |
| Displacement: | 58,000 tons |
| Crew: | 1,525 |
| Main Guns: | Nine 16-inch guns |
| Missiles: | 32 <i>Tomahawk</i> cruise missiles 16 <i>Harpoon</i> anti-ship missiles |
| Active Status: | Two <i>Iowa</i> -class battleships, the <i>Iowa</i> and the <i>New Jersey</i> have been retired. The <i>Missouri</i> and the <i>Wisconsin</i> both will be mothballed by spring 1992. |

Source: Jane's Information Group, *Jane's Fighting Ships 1990-1991*; Navy League of the United States, *Almanac of Seapower 1990*.

Heritage InfoChart 1991

²⁹ Testimony of Marine Corps Commandant General Alfred M. Gray to the Senate Armed Services Subcommittee on Projection Forces and Regional Defense, May 17, 1991.

Naval Air Problems. Naval aviation is another area of concern, with carrier-based aircraft increasingly less capable than their Air Force counterparts. During Operation Desert Storm, the Navy equipment was not compatible with the Air Force's sophisticated target assignment system, and procedures had to be jury-rigged on the spot. The Air Force has been operating its F-117 stealth fighter/bombers for close to a decade, is flying the prototype F-22 *Lightning* air-superiority fighter, and has built fifteen B-2 stealth bombers. The Navy meanwhile does not even have a stealth plane on the drawing boards; the Navy A-12 *Avenger* attack plane was cancelled in January due to program mismanagement, and the naval version of the F-22 was terminated. The Navy has proposed a short-term solution to some of its most immediate aviation concerns, including upgrading existing F/A-18 *Hornet* fighter-bombers and putting new wings on its aging A-6 *Attacker* bombers. But basic issues, such as whether the Navy will deploy stealth bombers and fighters, and how it will pay for them, remain unresolved.

Finally, the Navy may not be able to field even the ships and planes now anticipated given budget constraints. According to the Congressional Budget Office, increasing costs of new weapon systems may find the Navy shrinking faster than expected, all the way to 310 ships rather than the expected 415 by early in the next century.³⁰ One way to maintain the size of the fleet will be to build a new generation of smaller, cheaper ships to complement the nearly \$2 billion *Seawolf* submarine and close to \$1 billion *Arleigh Burke*-class destroyer. Even with this, after 1993 the Navy is likely to need more money than now planned to maintain its effectiveness, particularly if Soviet naval shipbuilding programs continue apace.

Question #5: How low is too low?

Operation Desert Storm brought home to Americans the value of being a superpower, a nation with global interests and the ability to defend them. In the event, America alone among all the nations involved on either side of the Gulf conflict was in control of its own destiny. As America's defense spending dips from its current 5.5 percent of gross national product to just over 3.5 percent by mid-decade — about the level now spent by major European allies — it may find itself falling below the minimum level needed to safeguard its global interests.

This may be the case even if all goes as planned. For example, an Army study shows a requirement for fourteen active divisions to meet the needs of the new Bush strategy, but Cheney's office insists on a force of twelve divisions, apparently because of budgetary concerns.³¹ The fact is that all never goes as planned; across

30 Robert F. Hale, written testimony provided to Senate Committee on Armed Services, June 14, 1991, Congressional Budget Office.

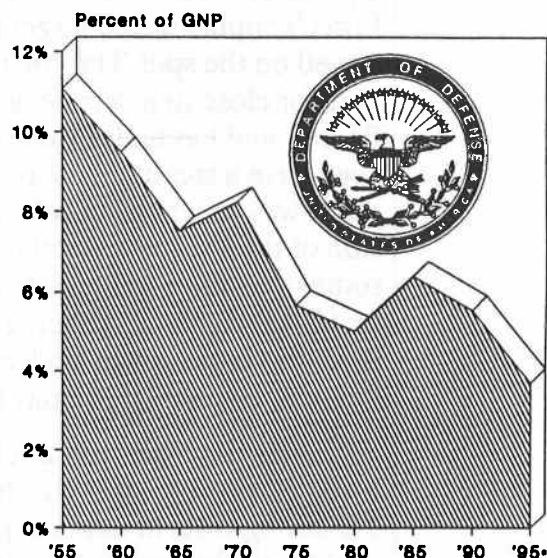
31 Author's interview with Army Chief of Staff advisors

the board the military will have trouble fielding the forces and weapons now planned for within anticipated budgets.

Through 1996, the armed forces will live off the stock of the weapons it bought in the 1980s while procurement for new weapons dips by 30 percent.³² But by the middle of the decade, programs to replace many of the weapons bought in the 1980s, including the Army's M1 Abrams tanks, Bradley fighting vehicles, and Apache helicopters, will have to be well underway. Yet, according to the Congressional Budget Office, by 1995 even the scaled-back modernization program now planned by the Pentagon could exceed annual planned expenditures by more than \$40 billion.³³ Add to this the additional expenses added by congressional pork-barrel programs and the inevitable less-than-expected savings from perennial Pentagon management reform programs, and it becomes clear that the numbers will not add up as planned.

For now, America is secure. But as budgets continue to drop over the next few years, America may face a stark choice: remain within budget ceilings or lose superpower status. Desert Storm demonstrated the advantages of having made the right defense choices over the past decade. The 1970s stand as an enduring reminder of what can happen if America makes the wrong choices.

Defense Spending as a Share of GNP



Source: U.S. Government Budget, FY 1992, Historical Tables; Department of Defense
Heritage DataChart 1991
•Estimated

CONCLUSION

Over the next five years, Armed Forces budget cuts will leave America spending proportionally less of its national wealth on defense than at any time since before World War II. The White House generally deserves credit for developing a plan that tries to preserve a smaller but modern and capable military force despite the deep cuts. But questions remain as to whether America's forces by the late 1990s will be equipped to perform such essential missions as defending America against ballistic missiles, strategic nuclear deterrence, and command of the seas in the face of a persistent Soviet threat and other global challenges to American security.

32 Schemmer, *op. cit.*, p. 21.

33 Robert F. Hale, Congressional Budget Office, statement before the House of Representatives Committee on Armed Services, March 19, 1991, p. 23.

Choices for Bush and Congress. There are steps that Bush and the Congress can take this year to make sure that America's armed forces will be up to the task. If Bush gets solidly behind his SDI program, known as G-PALS, he still has a chance to preserve it; if not, the program will be taken over and dismantled by Congress, virtually eliminating any possibility of effective defenses by the turn of the century.

Bush and the Congress also should reconsider the Administration's decision to sacrifice key strategic nuclear programs — shutting down the MX *Peacekeeper* missile production line, slowing development of the *Midgetman* missile, and eliminating fiscal 1992 funding to fix the electronic defenses of the B-1B bomber — in order to buy four B-2 "stealth" bombers. As long as Congress insists on sticking to the budget agreement, which severely curtails funds available for the Pentagon, only two B-2s should be bought, and the money saved from this should be put back into other strategic programs, or the White House and Congress seriously could consider lifting the budget caps.

It is not too late for George Bush and Congress to save America's last battleships, irreplaceable military assets and symbols of American power now scheduled for early retirement by the Pentagon. Money also can be shuffled within the budget to heed some of the lessons of Desert Storm, including the need to improve American sealift capacity and expand research into counter-mine warfare.

High Stakes. Longer-term issues also are raised by Bush's new defense plan. The White House and Congress will find inevitably that the dollars they plan to spend will not buy the force they expect after accounting for cost overruns, congressional pork, and the increasing cost of cutting-edge technologies. And, finally, it remains unclear whether Moscow will cooperate with America by cutting its own armed forces commensurately, a step still resisted by a recalcitrant Soviet military. These unresolved issues may force a reconsideration in coming years of plans to continue cutting the Pentagon's budget. Ultimately the stakes for America are too high to allow budget caps to guide defense planning.

Jay P. Kosminsky
Deputy Director of Defense Policy Studies

Heritage Foundation Intern Lisa H. Saladino contributed to this study.

All Heritage Foundation papers are now available electronically to subscribers of the "Nexis" on-line data retrieval service. The Heritage Foundation Reports (HFRPTS) can be found in the OMNI, CURRNT, NWLTRS, and GVT group files of the NEXIS library and in the GOVT and OMNI group files of the GOVNEWS library.

