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CALLING THE PENTAGON'S BLUFF ON DEFENSE REVIEW

INTRODUCTION

When Congress enacted legislation last year to establish a Quadrennial Defense Review (QDR) of U.S. military forces, it anticipated that the Pentagon would produce a report that could serve as the road map for a clear and consistent U.S. defense policy. Such a clear policy has not materialized yet under the Clinton Administration—primarily because of fundamental contradictions between the Administration's military strategy, the forces provided to the services, and the level of defense funding. In short, the forces are too small to execute the stated military strategy, and the budget is too small to support the forces. Indeed, Congress's recognition of these mismatches in the Administration's defense policy was the driving force behind the QDR legislation.

The Pentagon released its QDR report on May 19, 1997.¹ As strategy, the report argues for the ability to fight two major regional conflicts (MRCs) "nearly simultaneously" while maintaining the peacetime and humanitarian commitments of the United States. It provides for strategic nuclear deterrence with an option for homeland missile defense. It delineates the structure of the various military forces, including procurement requirements and the number of personnel. It calls for a decrease of 100,000 active duty personnel and more than 70,000 reservists from levels recommended in the Bottom-Up Review (BUR) in 1993. In budgetary terms, it accepts spending for defense at today's (FY 1997) level for the foreseeable future and recommends a defense budget of \$1.345 trillion (in FY 1998 dollars) for the five-year budget period.

In fact, the QDR would provide U.S. armed forces with the worst of two defense worlds. Not only does it recommend stagnant defense budgets, but it does so in the context of rapidly expanding U.S. security commitments. The report ignores the fundamental discrepancies between military strategy, the current force structure, and the budget. The QDR simply repeats the mistakes made four years ago as part of the Clinton Administration's first comprehensive study of defense policy, the BUR;² in fact, it was the BUR that

1 *Report of the Quadrennial Defense Review*, U.S. Department of Defense, May 19, 1997.

established the Administration's internally inconsistent defense policies.³ For example, the force recommended by the BUR also was too small to execute its strategy of fighting and winning two MRCs. Yet the QDR retains the two-MRC assumptions of the BUR and adopts an even more aggressive commitment to peacekeeping and humanitarian missions.

Because it repeats such mistakes, the QDR process cannot fulfill Congress's intent to facilitate the development of a clear and consistent defense policy. Unless the civilian National Defense Panel, which was established by the same legislation to pass judgment on the QDR, can reverse the repetition of the BUR's failings in the QDR, Congress will have little choice but to reject the findings of the entire process. The problem is that rejecting the recommendations of the QDR means failing to address the underlying dilemma facing makers of national security policy: how to accept the defense budgets embodied in the recent budget deal between Congress and the Administration while continuing to honor U.S. security commitments to allies and friends around the world.

Generally, the solution to this dilemma is to increase the defense budget and not cut the security commitments. The process of preserving and eventually expanding U.S. security commitments, however, is jeopardized by the budget deal's requirement for stagnant defense budgets. The result is a mismatch between defense budgets and the level of U.S. security commitments, with defense budgets too small to allow the military to maintain forces of the size and capability necessary to honor these commitments in the event of a conflict. So long as the Clinton Administration and Congress ignore the reality of the budget/commitments mismatch, U.S. national security policy will amount to little more than a bluff.

The First Failure: The BUR Revisited

To understand the implications of the QDR for future U.S. military strategy, it is important to compare the QDR with the earlier BUR (see Table 1). The reasons behind Congress's decision to require the QDR may be found in the "findings" on the BUR in the QDR legislation.⁴ Congress determined that the BUR was fatally flawed and therefore did not establish a sound post-Cold War defense policy. In its legislation establishing the QDR, Congress addressed three overriding flaws in the BUR.

Flaw #1: The BUR's primary assumption—that conventional forces should be maintained in order to fight and win two MRCs "nearly simultaneously"—is unrealistic.

The BUR was based on the assumption that the ability to fight two MRCs was necessary for the United States to maintain a defense posture consistent with its international obligations and superpower status. Although many critics, including analysts at The Heritage Foundation, pointed out that a one-and-a-half war strategy also would be consistent with the superpower role of the United States,⁵ the Administration continued to base its conventional force posture on this unrealistic assumption while remaining unwilling to retain the conventional military forces needed to execute such a strategy.

2 For additional discussion of the failings of the Bottom-Up Review, the need to develop a strategy-driven defense policy rather than a budget-driven defense policy, missile defense, and the importance of upholding U.S. security commitments, see Stuart M. Butler and Kim R. Holmes, eds., *Mandate for Leadership IV: Turning Ideas into Actions* (Washington, D.C.: The Heritage Foundation, 1997), esp. chapters 12 and 14–17.

3 *Report on the Bottom-Up Review*, U.S. Department of Defense, October 1993.

4 National Defense Authorization Act for Fiscal Year 1997, Public Law 104–201, Section 922.

5 Kim R. Holmes, ed., *A Safe and Prosperous America: A U.S. Foreign and Defense Policy Blueprint* (Washington, D.C.: The Heritage Foundation, 1993), p. 50.

Table 1

The Recommendations of the Bottom-Up Review and the Quadrennial Defense Review

	Bottom-Up Review/Nuclear Posture Review	Quadrennial Defense Review
Strategy	1. Two Major Regional Conflicts 2. Peacetime Presence Requirement 3. Some Peacekeeping and Humanitarian Missions 4. Strategic Nuclear Deterrence	1. Two Major Regional Conflicts 2. Peacetime Presence Requirement 3. Multiple Concurrent Peacekeeping and Humanitarian Missions 4. Strategic Nuclear Deterrence/Option for Homeland Missile Defense
Forces		
Army Active component	10 Divisions	10 Divisions
Reserve component	15 Enhanced Readiness Brigades	15 Enhanced Readiness Brigades
Air Force Active component	13 Tactical Fighter Wings	12 Tactical Fighter Wings
Reserve component	7 Tactical Fighter Wings	8 Tactical Fighter Wings
Navy	346 ships 11 active aircraft carriers	330 ships* 11 active aircraft carriers
Marine Corps Active component	174,000 troops	172,200 troops
Strategic Nuclear	Assumes START II levels while maintaining a "hedge" against an interruption in the arms control process.	Maintain START levels until Russia ratifies START II.
National Missile Defense	Technology Readiness Plan/No Deployment	Deployment Readiness Plan/Possible Deployment Decision in 2000
Personnel Active component	1,460,000	1,360,000
Reserve component	906,000	835,000
Budget (FY 1998 Dollars)	1.367 trillion (FY 1995-1999)	1.345 trillion (FY 1998-2002)

Note: * Estimate.
Source: Heritage analysis, based on Department of Defense data.

Flaw #2: The BUR's recommended force was too small to execute the strategy of fighting and winning two MRCs. The BUR adopted an overly ambitious assumption about what is properly required by U.S. national strategy. This shortcoming quickly became apparent when the BUR's force structure recommendations were analyzed.⁶ The force structure recommended by the BUR was not large enough to execute the requirements of the strategy. For example, the Army sent seven active divisions to fight in the Persian Gulf War. The BUR strategy, in which the Persian Gulf War would be equivalent to an MRC, would require the Army to fight in two such conflicts in rapid succession. Yet the BUR allocated only 10 active divisions to the entire Army.

Flaw #3: The Clinton Administration's proposed defense budgets under the BUR were too small to pay for a military force of the size it recommended. The Administration's defense budgets, as proposed in the BUR, would not support the force recommended without sacrifices in readiness or refusal to modernize the force with new weapons.⁷ In fact, the Administration's budget for FY 1995-1999 (the first to be released following completion of the BUR) was nearly \$100 billion less than the amount that would have been required to keep the BUR force both combat ready and fully

6 For a detailed description of this analysis, see Lawrence T. Di Rita, Baker Spring, and John Luddy, "Thumbs Down to the Bottom-Up Review," Heritage Foundation *Backgrounders* No. 957, September 24, 1993, pp. 3-4.

7 For a detailed description of this shortcoming, see Baker Spring, "Clinton's Defense Budget Falls Far Short," Heritage Foundation *Backgrounders Update* No. 217, March 15, 1994.

modernized. Furthermore, the assessment presupposed that the Pentagon would spend its money wisely by adopting several needed reforms: for example, by closing additional bases, privatizing maintenance functions, streamlining acquisition procedures, and curtailing funding for programs in the defense budget that had little to do with defense. Absent these reforms, the practical budget shortfall exceeded \$150 billion over the five-year period.⁸

COMPARING THE QDR AND THE BUR

Considering the BUR's obvious shortcomings and Congress's expressed dissatisfaction with its results, many in Washington hoped and expected that the Pentagon would produce a QDR report that avoided these problems. The 1997 report, however, makes it clear that such expectations are not to be realized. In strategy, forces, and budgets, the essential elements of the QDR are very similar to the findings resulting from the BUR (see Table 1). At best, the policies embodied in the QDR will perpetuate the shortcomings of the BUR; at worst, they will exacerbate them. The following comparisons demonstrate the striking similarities between the findings of the two reports.

Strategies

As the basis for future military planning, the BUR report posits that the United States may need to fight two MRCs "nearly simultaneously." The most practical application of this scenario envisions the United States confronting such aggressors as Iran or Iraq in the Persian Gulf, or North Korea in Asia, in close sequence. The BUR further assumes that, even though significant numbers of conventional forces would be dedicated to peacekeeping and humanitarian missions, these forces could be withdrawn rapidly and assigned combat missions in the event of an MRC. Finally, it assumes that the military would continue to deploy significant military forces, including naval forces, in forward areas to maintain a peacetime presence in these strategic areas.

The QDR retains the BUR's two-MRC assumptions but adopts a more aggressive commitment to peacekeeping and humanitarian missions, assuming that the military will need to be able to handle multiple concurrent peacekeeping and humanitarian operations. The QDR is less clear, however, about whether the United States would continue these missions in the event of an MRC. Unlike the BUR, the QDR does not recommend that U.S. forces engaged in a peacekeeping mission could be withdrawn and sent to a combat mission in the event of an MRC; like the BUR, however, it would maintain the U.S. commitment to peacetime presence in important regions.

Armed Forces

The QDR would impose marginal reductions in the overall size of U.S. conventional combat forces compared with those recommended in the BUR. The Army would continue to retain 10 active divisions and 15 enhanced readiness brigades in the reserve component. The Air Force would continue to retain a force equivalent in size to the force recommended by the BUR, with roughly 20 tactical fighter wings.⁹ The Navy would shrink

8 In retrospect, it is clear that the Clinton Administration chose to balance the defense budget on the back of the procurement account. The result: The Pentagon now faces a modernization crisis and must allocate new resources to procurement to make up for lost ground in this critical area.

9 The QDR assumes, however, that the equivalent of one wing will be transferred from the active force to the reserve force.

from a BUR force of 346 ships to about 330 ships.¹⁰ Active duty Marine Corps troop levels also would decline: The 174,000 troops recommended in the BUR would fall to 172,200, although the Corps would continue to field three Marine Expeditionary Forces.

The QDR's recommendations for nuclear forces are virtually identical to those of the BUR's 1994 companion study, the Nuclear Posture Review (NPR).¹¹ The NPR calls for the United States to retain a strategic nuclear arsenal of the size allowed under the 1991 Strategic Arms Reduction Treaty (START) until START II is ratified, in addition to an unspecified number of tactical nuclear weapons.

The marginal reductions in size of the force recommended in the QDR, however, mask somewhat more significant reductions in personnel levels. The BUR recommends an active duty personnel level of 1.46 million and a reserve component personnel level of 906,000. The QDR would reduce the active duty personnel level by 100,000 and the reserve component level by 71,000 from BUR levels.¹²

Defense Budgets

Based on the Clinton Administration's first budget submission following completion of the Bottom-Up Review, it was estimated that the BUR force would cost a total of \$1.295 trillion in budget authority for FY 1995–1999.¹³ Despite the fact that the BUR force cost far more than estimated, the Administration (prodded by Congress) has added only limited dollars to the defense budgets proposed since that time. Based on the congressional budget resolution produced following the conclusion of this year's budget agreement, defense budget authority for the same five-year period is likely to be \$1.334 trillion.¹⁴ In FY 1998 dollars, the current estimated defense budget authority for the period corresponding with the BUR (again, FY 1995 through FY 1999) is \$1.367 trillion.

The QDR assumes that, at best, the defense budget will remain at current (FY 1997) levels for the foreseeable future, adjusting for inflation. In FY 1998 dollars, the QDR's recommendation for its five-year budget period (FY 1998 through FY 2002) is \$1.345 trillion. This is \$22 billion less than the amount allocated to the BUR force for its five-year budget period. Considering that the defense drawdown was still occurring during the BUR's implementation period, and considering also that the QDR would cut manpower, these allocations are roughly equivalent for the given the size of each force.

SHORTCOMINGS OF THE QDR

Considering the similarities between the BUR and QDR, it should not be surprising that both suffer from essentially the same shortcomings (see Table 2). These problems range from the broad concerns cited by Congress in the QDR legislation, such as the mismatch between strategy and forces, to quite narrow ones, such as an insufficient commitment to missile defense programs. Specifically, the QDR has six major shortcomings:

- 10 The QDR, unlike the BUR, did not commit to a specific number of total ships in the Navy. Therefore, this number represents an estimate.
- 11 U.S. Department of Defense, "DOD Review Recommends Reduction in Nuclear Force," News Release No. 541-94, September 22, 1994.
- 12 Contrary to the recommendations of the BUR, the Pentagon had proposed personnel levels below the prescribed levels prior to submission of the QDR.
- 13 U.S. Department of Defense, "FY 1995 Defense Budget," News Release No. 043-94, February 7, 1994.
- 14 U.S. Senate, Senate Concurrent Resolution 27, May 19, 1997, pp. 6-8.



Shortcomings of the Bottom-Up Review and the Quadrennial Defense Review

Type of Shortcoming	Shortcomings of the BUR and NPR	Shortcomings of the QDR
Mismatch Between Forces and Commitments	Proposes budget for defense that would drive force levels below the recommended levels, leaving a force too small to uphold U.S. security commitments.	Exacerbates the forces/commitments mismatch by holding the defense budget to BUR levels while expanding U.S. security commitments to NATO and peacekeeping and humanitarian missions.
Failure to Fund Recommended Force	Underfunds BUR force by almost \$100 billion (FY 1995-FY 1999).*	Underfunds QDR force by almost \$80 billion (FY 1998-FY 2002).*
Review Undertaken as a Budget Exercise	Recommends defense budget reductions of almost 40 percent from FY 1985 levels to ensure "economic security."	Recommends defense budgets no greater than current (FY 1997) levels for the foreseeable future.
Modernization Crisis	Brings about the modernization crisis by proposing a procurement budget that is a two-thirds cut from FY 1985 levels.	Proposed plan for resolving the modernization crisis is inadequate because: <ol style="list-style-type: none"> 1. Funding levels remain too low. 2. Proposed efficiency measures will not produce the needed savings to fund modernization. 3. Procurement programs will be run inefficiently.
Weak National Missile Defense Program	Cuts almost \$15 billion (80 percent) from national missile defense budget and bars deployment option.	Adds \$2 billion back to national missile defense budget and maintains an option to deploy, but refuses to consider relief from the ABM Treaty.
Weakened Nuclear Deterrent	While NPR recommends adequate nuclear deterrent, nuclear programs are managed in a way that erodes the nation's nuclear capabilities.	Reaffirms NPR, but proposes no specific reforms in how nuclear programs are managed.

Note: *Assumes the adoption and implementation of efficiency measures by the Pentagon.

Source: Heritage analysis, based on Department of Defense data.

Shortcoming #1: Funding under the QDR is insufficient to uphold the current security commitments of the United States to its allies. The defense posture likely to result from the QDR is insufficient to uphold U.S. security commitments to allies and friends, let alone to execute the strategy called for in the review. By far the most important of the

QDR's many shortcomings is its failure to address the looming crisis regarding whether the United States will continue to honor its overseas security commitments beyond the turn of the century. This crisis is driven by insufficient defense funding. The QDR, by asserting the adequacy of a "no real growth" defense budget, would condemn the United States to the repercussions of fielding a military force that is too small to fulfill these commitments in times of conflict. Sooner or later, such a budget will result in a force that is 20 percent to 25 percent smaller than that recommended in the QDR report.¹⁵ This smaller force will be able to sustain combat in only one MRC, withdrawing virtually all U.S. military forces from non-combat theaters even if they are fulfilling commitments to peacekeeping operations or peacetime presence missions.¹⁶ Addressing a second MRC will be out of the question; it is not feasible even with today's force.

Not only does the QDR recommend stagnant defense budgets, but it does so in the context of rapidly expanding U.S. security commitments. First, the existing commitment to the North Atlantic Treaty Organization (NATO) is about to be expanded through the addition of new members. Second, the report recommends a more aggressive policy of U.S. commitments to peacekeeping and humanitarian operations. The equally unattractive results of this contradictory policy could well be a military broken by overcommitment (and perhaps the loss of a war) or the inability to honor a solemn commitment to an important ally or friend.

Shortcoming #2: Funding for the QDR's stated objectives also is insufficient. The QDR force structure will not be funded under planned defense budgets. The BUR suffered from the fact that Clinton Administration defense budgets were insufficient to support a force the size of that recommended by the BUR while keeping it combat ready and modernized with new weapons and equipment. In fact, the BUR force was underfunded by almost \$100 billion over the five-year (FY 1995 through FY 1999) budget cycle. Similarly, the QDR force is underfunded by almost \$80 billion in budget authority over its five-year (FY 1998 through FY 2002) budget cycle, based on the defense budget agreed to by the Clinton Administration and Congress earlier this year.

Furthermore, this \$80 billion deficit assumes that the Pentagon is spending its money efficiently. This is not the case.¹⁷ The QDR argues that new, efficient management systems (including such things as reductions in infrastructure, privatization, and acquisition reform) will eliminate whatever budget gaps exist and allow higher spending on procurement; but these savings, which under ideal circumstances could amount to \$50 billion in budget authority over the five-year period, already have been applied in calculating the budget shortfall in the \$80 billion deficit assessment. Therefore, the budget shortfall in fact amounts to about \$130 billion.

15 A more detailed description of the funding shortfall will follow.

16 For a detailed description of how reduced defense budgets and forces could undermine U.S. security commitments, see Baker Spring, "Will Clinton Pay the Price for America to Remain a Global Power?" Heritage Foundation *Backgrounder* No. 1083, May 16, 1996.

17 An excellent example of this is the costly requirements imposed by the Office of the Secretary of Defense on the Theater High Altitude Area Defense (THAAD) system. These requirements included "75,000 government labor hours, 250,000 contractor labor hours, over a ton of paper in supporting documentation, and demands that 900 'issues' be resolved, all at a cost of \$122 million." See Scott A. Hodge, ed., *Balancing America's Budget: Ending the Era of Big Government* (Washington, D.C.: The Heritage Foundation, 1997), p. 54.

Shortcoming #3: The QDR was run as a budget exercise, not driven by strategy. The BUR states that the Department of Defense has a role in providing for the country's economic security, thereby cleverly conveying the view that the defense budget was a major contributor to the country's fiscal crisis and that defense spending must be cut. The QDR, by accepting as inevitable that future Administration defense budgets will be no larger than current levels, also accepts the BUR's assumptions about economic security. This approach turned the QDR into a budget exercise in which the primary purpose was to determine how best to organize the military under an established budget.

Thus, the QDR process is at odds with congressional intent in yet another critical area. A budget exercise is not what Congress had in mind when it enacted the QDR legislation last year. Rather, it specifically envisioned a report driven by the requirements of strategy:

The review [QDR] is to involve a comprehensive examination of defense strategy, the force structure of the active, guard, and reserve components, force modernization plans, infrastructure, and other elements of the defense program and policies in order to determine and express the defense strategy of the United States and to establish a *revised* defense program through the year 2005.¹⁸

The decision to conduct the QDR as a budget exercise also reflects the Administration's belief that the defense budget is a major contributor to the fiscal crisis. Perpetuation of this myth serves to hide the true cause of the fiscal crisis: runaway social and economic spending. In FY 2002, defense outlays will be about 10 percent lower than in the peak year of FY 1989, but economic and social spending will have more than doubled during the same period (see Chart 1). A QDR report that properly reflected congressional intent and proposed a budget in line with its two-MRC strategy would recommend a defense budget that increased spending by an average of \$9 billion each year between now and FY 2002. Economic and social spending, under Clinton Administration plans presented earlier this year, would increase by some \$50 billion per year over the same period. In general terms, although the budget agreement will alter social and economic spending projections on the margin, the direction of significant annual increases will continue.¹⁹

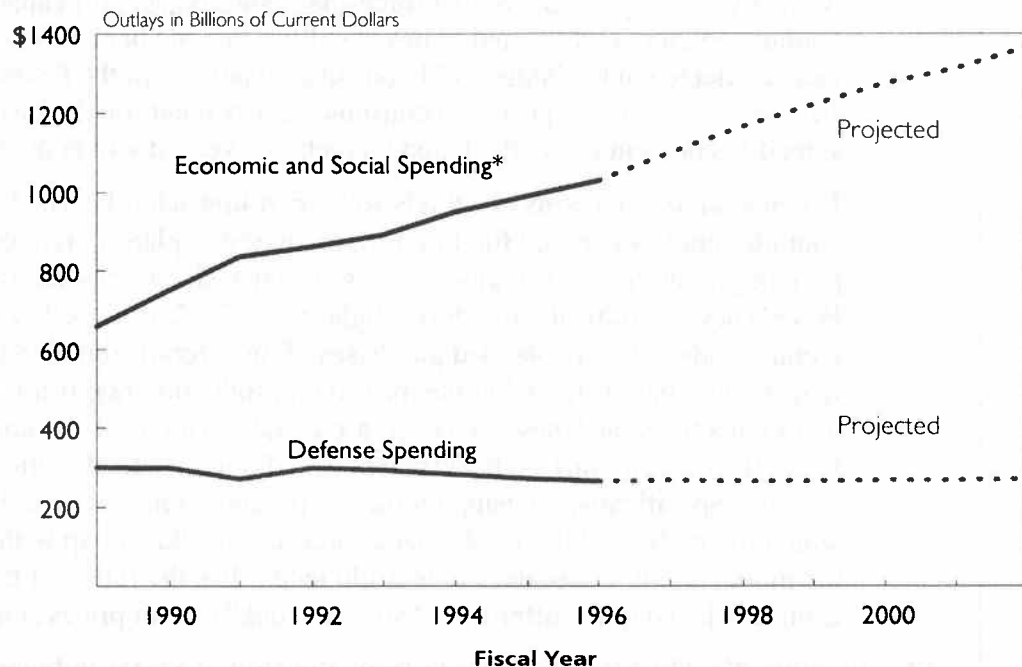
Shortcoming #4: The QDR's procurement goals are unrealistic. The existing modernization crisis is likely to go unresolved. A central goal of the QDR is to end the crisis brought about by sharp reductions in procurement spending throughout the 1990s—the so-called procurement holiday brought about by the Clinton Administration's defense budgets, which reduced procurement budgets by some two-thirds from Cold War levels. Specifically, the QDR seeks to increase procurement funding from this year's level of \$44 billion to \$60 billion by FY 2001. This solution to the modernization crisis is likely to be unsuccessful for at least three reasons:

1. **The QDR's prescribed level of procurement funding is insufficient to obtain a fully modernized force of the size recommended in the QDR itself.** Even if the acquisition system is run efficiently, a procurement budget would have to allocate at

18 National Defense Authorization Act for Fiscal Year 1997, *op. cit.*; emphasis added.

19 The budget agreement does not define social and economic spending in the same way it is used here. Therefore, a direct account-by-account comparison is not possible.

Economic and Social Spending, Not Defense, Is the True Cause of the Federal Government's Fiscal Crisis



Note: * Does not account for 1997 budget deal.
Source: Department of Defense.

least \$65 billion in FY 2001 and increase in each of the following years. This is the minimum needed to replace aging weapons and equipment purchased in the 1980s.

2. **The efficiency measures envisioned by the QDR will prove insufficient to allow a \$60 billion procurement budget.** The QDR makes it clear that additional money will be added to the procurement account only as infrastructure reductions (including two more rounds of base closures) and management reforms make the funds available. Even if all the recommended efficiency measures are adopted—and most are worthy of support—there is no guarantee that the savings will be adequate to fund procurement at \$60 billion in FY 2001.²⁰

Essentially, the QDR depends on efficiency measures to produce over \$30 billion in savings from FY 1998 through FY 2001. But the two rounds of base closures are likely to result in a net *cost* to the Pentagon of almost \$2 billion in budget authority during the five-year period from FY 1998 through FY 2002.²¹ The annual savings resulting from this reduction in infrastructure will not be realized until well after FY 2001.

20 Analysts at The Heritage Foundation have supported many of the efficiency measures proposed by the QDR. For example, Heritage analysts recommended two more rounds of base closures in 1995. See Baker Spring, "More Military Bases Need to Be Closed," Heritage Foundation *Backgrounder* No. 1042, July 18, 1995.

21 See *Balancing America's Budget*, p. 58.

Furthermore, the Pentagon should recognize that the large infrastructure it wants to pare back is not all fat; it is necessary to support the combat forces required to honor the country's many far-flung security commitments to overseas allies and friends. Such commitments require investment in support functions like strategic lift and command and control, communications, computers, and intelligence assets (C⁴I). Even though U.S. combat forces have shrunk, support capabilities must be maintained unless the United States is willing to scale back its commitments. This fact is reflected in the budget. C⁴I consumed 9 percent of the Pentagon budget in FY 1985; this year, it is expected to consume 12.1 percent. In 1985, strategic lift consumed 6.8 percent of the Pentagon budget; this year, it will consume 10.4 percent.

- 3. Procurement programs are likely to be run inefficiently.** The QDR, despite its commitment to increased funding for procurement, plans to reduce the volume and pace of procurement for major systems. The decision on procurement of the Air Force's new stealthy air superiority fighter, the F-22, is a good example. The QDR recommends reducing planned purchases of the aircraft from 438 units to 339 units. It also recommends reducing the maximum production rate from 48 units per year to 36 units per year. These two steps are certain to increase the unit price of the F-22, thereby minimizing the efficient use of dollars added to the procurement account. Specifically, by using inefficient procurement practices, the Air Force would not realize a fully modernized force and would end up with fewer units for the money spent. These decisions could jeopardize the future of the F-22 because Congress is likely to suffer from "sticker shock" as unit prices spiral.

Shortcoming #5: The QDR is likely to leave the United States vulnerable to missile attack. The QDR states that the Clinton Administration is implementing its "three-plus-three" plan for developing and deploying a national missile defense system. Proposed last year, this plan would develop a system of ground-based interceptors so that a decision to deploy could be made in three years, by the year 2000, with deployment accomplished during the subsequent three-year period, by 2003. The system is supposed to comply with the 1972 Anti-Ballistic Missile (ABM) Treaty, which imposes severe restrictions on the kind of defenses that may be deployed. It also should be noted that this plan in no way commits the Clinton Administration to actual deployment of a national missile defense system; therefore, it cannot be assumed that the QDR plan for missile defense will provide an effective defense of U.S. territory in the foreseeable future.

The QDR acknowledges that sticking to the three-plus-three plan will require an additional \$2 billion over existing budget plans; and the Administration admits that, even with this additional \$2 billion, the program is risky. This admission is surprising for two reasons. First, the Clinton Administration itself is directly responsible for any funding shortfall in the national missile defense program. The BUR report strips almost \$15 billion from the national missile defense budget—a cut of more than 80 percent. Second, the Clinton Administration remains wedded to the notion of a treaty-compliant system. This is of paramount importance: A treaty-compliant approach means that the national missile defense system cannot protect the territories of all 50 states against missile attack because the ABM Treaty prohibits such a defense. It also means that the less expensive and less risky approach of configuring the Navy's Theater-Wide (Upper Tier) system for countering shorter-range missiles as a limited national missile defense system will be barred.

If the Clinton Administration were truly serious about an effective (even though limited) national missile defense system, the QDR would propose obtaining relief from the strictures of the ABM Treaty.²² In the long run, ABM Treaty relief would do far more to ensure the future of national missile defense than could be accomplished by merely adding another \$2 billion to the defense budget.

Shortcoming #6: The QDR's recommendations for nuclear forces are likely to be ignored and could lead to a weakened U.S. nuclear posture. There is no guarantee that the Clinton Administration will adhere to the QDR's recommendations for nuclear forces. History shows that the Administration was only too ready to ignore such recommendations following the adoption of the 1994 Nuclear Posture Review, and the QDR's recommendations for the future of the U.S. nuclear deterrent mirror those made in the NPR. For example, the NPR recommends retaining the country's strategic nuclear arsenal at levels allowed under the 1993 Strategic Arms Reduction Treaty II, or about 3,500 deployed warheads. But it also contemplates deployment of a higher number of weapons in the event the START II process broke down. As of now, it is unclear whether Russia's State Duma will ratify START II, and the QDR would retain U.S. strategic nuclear forces at the level of over 6,000 deliverable warheads allowed under the 1991 START agreement. This policy, articulated by the NPR and confirmed by the QDR, is a wise one.

Despite the sound recommendations of the NPR, however, the Clinton Administration has allowed the nuclear posture of the United States to deteriorate in several alarming ways.²³ A report issued by the House National Security Committee explains the reasons for this deterioration:

1. Failure to fund adequately the Stockpile Steward and Management Program, designed to maintain the safety and reliability of the entire nuclear arsenal in the absence of explosive testing;
2. Failure to find an alternative source of tritium gas, an essential ingredient in nuclear weapons;
3. Personnel policies that drive essential technicians out of the industrial base; and
4. Commitment to the ongoing moratorium on explosive testing and to ratification of the Comprehensive Test Ban Treaty.

Furthermore, it is not clear that the QDR will uphold the budget requirements for retaining the country's strategic nuclear arsenal at START levels in later years. Taken together, these failures raise questions about whether the United States will be able to retain a strategic nuclear arsenal above START II levels, and even whether the United States will be a nuclear power a decade from now.

22 For a description of why relief from the ABM Treaty is necessary for the deployment of an effective national missile defense system, see Missile Defense Study Team, *Defending America: A Near- and Long-Term Plan to Deploy Missile Defenses* (Washington, D.C.: The Heritage Foundation, 1995), pp. 30–32. See also Baker Spring, "Building Support for Missile Defense," in Butler and Holmes, eds., *Mandate For Leadership IV*, pp. 556, 557.

23 *The Clinton Administration and Nuclear Stockpile Stewardship: Erosion by Design*, Report by the Committee on National Security, U.S. House of Representatives, 104th Cong., 2nd Sess., October 30, 1996.

NATIONAL SECURITY POLICY: AVOIDING A ZERO-SUM GAME

The time has come for national security policy makers to recognize that failing to increase the defense budget will lead inevitably to the weakening or withdrawal of U.S. security commitments around the world: It makes no difference whether this reality is acknowledged openly. The level of commitments presumed by the QDR means that the defense budget will have to increase by some \$80 billion in budget authority over the five-year cycle from FY 1998 through FY 2002. Even this level of additional investment will prove insufficient, however, unless the efficiency measures recommended by the QDR are implemented and some limits are imposed on missions of peacekeeping and humanitarian relief. Instead, the defense community will be left with three unacceptable policy outcomes in terms of withdrawing U.S. security commitments to allies and friends in important regions:

- **Rejecting** the proposal that NATO membership be expanded to include select countries of Eastern Europe. It is anticipated that, in July 1997, NATO will invite the Czech Republic, Hungary, and Poland to join the alliance while leaving open the option to extend an invitation to additional countries at a later date.

Filling the power vacuum that now exists in Eastern Europe by expanding NATO is a prudent step, but it will require adding billions of dollars to the U.S. defense budget over the next decade. Without such an increase in the defense budget, the United States will be extending only a hollow commitment to NATO's new members. The United States should not be in the business of making security commitments that it cannot honor. By the same token, rejecting NATO expansion would amount to a wager by U.S. leaders that leaving the power vacuum in Eastern Europe unattended will not have adverse consequences—a wager on which the odds are very poor. Congress should be prepared to support NATO expansion and add the necessary funding to the defense budget.

- **Withdrawing** from NATO and letting the process of unification establish a new security structure for Europe while maintaining U.S. commitments to East Asia, the Persian Gulf, and the Western Hemisphere. Such a partial withdrawal would force the United States to focus its efforts on the most volatile regions, where its presence is most important in maintaining peace.

There are three problems with this approach that should make it unacceptable to Congress. First, it is not politically sustainable. Current U.S. allies and friends in East Asia and the Persian Gulf are likely to conclude that the United States will withdraw from their regions just as it withdrew from Europe, and therefore is not a reliable security partner. This could lead to an unraveling of the entire global security structure. Second, assuming this security structure is sustainable, even this reduced level of commitment would require some increases in the defense budget above the levels agreed to in the FY 1998 budget deal. Why? Because the U.S. military still will be called upon to honor a set of security commitments that is global in scope and requires large conventional forces. Third, this approach assumes that the United States has no vital interests to defend in Europe when, in fact, the United States has an overriding interest in maintaining a peaceful and stable Europe.

- **Withdrawing** from East Asia, Europe, and the Persian Gulf and focusing instead on hemispheric security. Under this approach, the United States would relinquish its superpower status and become instead a major regional power. The focus would be on ensuring that vital U.S. interests in the Western Hemisphere are protected.

Although this approach clearly is affordable under the terms of the budget deal, it implies that the existing structure for global security would be dismantled with no reasonable alternative structure to replace it. The level of global instability would increase dramatically, and the likelihood of large-scale conflicts would increase as well. This approach asks the American people to pretend that the country has no vital interests in East Asia, Europe, or the Persian Gulf. In fact, such interests will continue to exist regardless of defense funding levels. Congress should reject this approach and provide the additional defense resources needed to avoid this outcome.

The Need for Congressional Intervention

The dilemma posed by the QDR's budget/commitments mismatch, however, could produce one positive outcome. Congress needs to curtail the Clinton Administration's appetite for expanding U.S. commitments to peacekeeping and humanitarian relief missions in places in which no vital U.S. interests are at stake. Limits could be imposed on these missions in one of two ways: Congress could cap the number of forces that may be involved in such missions at any one time, or the President could be required to certify that a minimum number of forces will remain at the highest state of readiness for combat operations before any forces are committed to peacekeeping or humanitarian missions. Because virtually all U.S. military peacekeeping and humanitarian missions serve peripheral, not vital, interests, curtailing them should be acceptable to Congress. It is an option that should be pursued vigorously.

Because national security policy has become a zero-sum game in which defense policy is sustainable only if direct exchanges are made between commitments and the budget, Congress needs to intervene in the QDR process. It could ask the National Defense Panel to consider the budget/commitment mismatch and the implications of withdrawing U.S. security commitments. At a minimum, this would provide a way for the National Defense Panel to put the QDR process back on track, forcing it to address the implications of static defense budgets for the growing security commitments of the United States and for global stability in general.

This approach, even though it does not guarantee such an outcome, would improve the likelihood that the QDR process itself will fulfill the purposes for which it was established by Congress. If these issues are left unaddressed, however, the process is all but certain to ignore the inconsistencies in the Administration's defense policy that resulted from the fatally flawed BUR.

CONCLUSION

The temptation will remain for U.S. national security policy makers to paper over the difficult choices facing them. This tendency—so evident in the 1993 Bottom-Up Review, with its inherent mismatches between defense strategy, forces, and budgets—is still present today, both in the recommendations made by the Quadrennial Defense Review and in Congress's muted reaction to those recommendations. Unless this lack of attention to detail is reversed, national security policy will continue to drift toward a strategy of bluff by which the United States pretends to honor security commitments that the government knows it most likely cannot fulfill. Sooner or later, a tyrant will call this bluff, and the result will be a major conflict that could have been avoided through the adoption of a consistent and sustainable national security policy that matches defense budgets to U.S. security commitments.

The Quadrennial Defense Review presents an opportunity for Members of Congress to demonstrate to the American people that increasing defense budgets while lessening U.S. commitments to peacekeeping and humanitarian missions constitutes a prudent and sustainable defense policy. This significant opportunity should not be lost for the sake of expediency.

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