



Executive Memorandum

No. 596

May 6, 1999

TO MAINTAIN FISCAL CREDIBILITY, LIMIT THE SUPPLEMENTAL KOSOVO APPROPRIATION TO TRUE EMERGENCIES

PETER SPERRY

President Bill Clinton has requested \$6 billion in emergency supplemental spending authority to fund U.S. military and humanitarian programs in the Kosovo region of Yugoslavia through September 30, 1999, the end of fiscal year (FY) 1999. Many Members of Congress, understandably concerned about the condition of U.S. military forces, responded to his request by insisting the House Appropriations Committee report an emergency supplemental bill containing \$12.9 billion in budget authority, including funding for such accounts as increased military pay that are not true emergencies. Military experts may hold equally valid but differing opinions about how much funding the President should have requested for the operations in Kosovo. But adding non-emergency items to the supplemental would undermine Congress's commitment to honest budgeting and spending controls, and it would not be the proper way to rebuild the country's military forces.

President Clinton requested increased funding for 15 specific accounts: Diplomatic and Consular Programs; Security/Maintenance of U.S. Missions; Emergencies in Diplomatic and Consular Activities; International Information Programs; Military Personnel, Army; Military Personnel, Navy; Military Personnel, Marine Corps; Military Personnel, Air Force; Operations and Maintenance; International Disaster Assistance; Economic Support Fund; Assistance for Eastern Europe and the Baltic States; the Peace Corps; Migration and Refugee Assistance;

and U.S. Emergency and Refugee Migration Assistance.

The House Appropriations Committee added 15 additional accounts in the supplemental appropriations under consideration: Weapons Procurement, Navy; Aircraft Procurement, Air Force; Missile Procurement, Air Force; Procurement of Ammunition, Air Force; and the following contingent emergency appropriations (which cannot be obligated *until, and unless*, the President chooses to do so): Operational Rapid Response Account; Spare Parts; Depot Maintenance; Recruiting; Readiness; Base Operations; Pay and Retirement; Military Construction, Army; Military Construction, Navy; Military Construction, Air Force; and Military Construction, Defense Wide.

Produced by
The Thomas A. Roe Institute
for Economic Policy Studies

Published by
The Heritage Foundation
214 Massachusetts Ave., N.E.
Washington, D.C.
20002-4999
(202) 546-4400
<http://www.heritage.org>



The Committee proposal is misguided because:

1. It would add substantial budget authority for such activities as pay raises, recruiting, and

Executive Memorandum

military construction, which should be funded as part of the normal appropriations process, not pushed through as an “emergency”;

2. It would designate the bulk of the additional accounts, such as Operational Rapid Response, Spare Parts, Depot Maintenance, Recruiting, Readiness, Base Operations, Pay and Retirement, and Military Construction, as “contingent emergencies.” If fiscal conservatives tried to slip non-emergency spending into the supplemental appropriations bill, it would become much more difficult for them to criticize liberals for doing the same thing. Moreover, President Clinton simply could refuse to obligate the funds they have appropriated. In its recent memorandum on supplemental spending bills, the Congressional Budget Office notes that, if Congress designates a line item as a contingent emergency appropriation and the President does not also designate the item as an emergency, then the funds cannot be obligated.
3. It would reduce the funding provided for the most critical account, Operations and Maintenance (O&M), from \$5.4 billion to \$5.2 billion and designate \$1.3 billion of this as a contingent emergency appropriation, whereas President Clinton designated \$850 million in his request as a contingent emergency. The primary effect of this change would be to limit the funds available for operations, apparently an attempt to force the President to designate an emergency and obligate funds for all the contingent emergency appropriations. But the President is unlikely to go along with Congress and designate its priorities as emergencies in order to be able to obligate funds for the O&M account. He is more likely to designate only the O&M funding as an emergency and refuse to obligate funds in the other accounts.

There is no question that, throughout his presidency, Bill Clinton has chosen to underfund national security, and that each of the accounts designated by the Appropriations Committee is long overdue for an increase. But the supplemental Kosovo appropriations bill is not the appropriate

vehicle for rectifying seven years of neglect. Emergency spending is supposed to be for purposes that are necessary, sudden, urgent, unforeseen, and not permanent. Although the increased spending proposed by the Appropriations Committee certainly is necessary, most of it is neither sudden nor unforeseen. Military pay and military construction are long-term permanent accounts that can and should be planned for in the regular appropriations process.

At this point, funding for the additional accounts cannot even be considered urgent. Any military pay raise would not go into effect until January 1, 2000, and therefore could be considered part of the FY 2000 appropriations bill. Most of the desired military construction and procurement priorities have waited for some time; delaying them until they can be included in the regular FY 2000 appropriations bill would do little harm. Missiles and aircraft take several months or years to build and make ready for use.

The chairman of the House Appropriations Committee, Representative C. W. “Bill” Young (R-FL), stated that “You can’t fight wars out of a petty cash fund.” There is no denying the necessary, sudden, urgent, unforeseen, and, hopefully, temporary nature of the situation in Kosovo. It also is very tempting to take advantage of this situation to rectify the Clinton Administration’s disgraceful neglect of U.S. military forces over the past seven years. This would be a mistake, however. The military structure was not degraded in a single budget year; it cannot be effectively restored in one. Ronald Reagan did not rebuild the military he inherited during his first year as President; he built it up with careful, consistent commitment throughout his two terms in office. Today, Congress must emulate this example with a commitment to fund national security priorities through the regular budget and appropriations process. There are no short cuts, and attempts to find them demean both the process and those who would seek an easy way out.

—Peter Sperry is Budget Policy Analyst in The Thomas A. Roe Institute for Economic Policy Studies at The Heritage Foundation.