



The Heritage Foundation  
**Executive Memorandum**

No. 874

May 7, 2003

## KEEPING MISSILE DEFENSE AT THE HEART OF DEFENSE TRANSFORMATION

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Congress should accept the Bush Administration's proposals for changing the way that the Missile Defense Agency budgets for ballistic missile defense programs. Congress can best advance these proposals by incorporating them into the annual defense authorization legislation, which the House and Senate Armed Services Committees will begin drafting this week. On April 10, the Bush Administration, anticipating the pending legislative action, sent Congress a comprehensive legislative proposal to transform management of the Department of Defense. Entitled the Defense Transformation for the 21st Century Act, it incorporates the Administration's proposals for reforming management of the missile defense program.

Fielding an effective global missile defense system is a pressing need because ballistic missile defense programs are lagging behind the emerging missile threat. In the past, U.S. participation in the 1972 Anti-Ballistic Missile (ABM) Treaty severely restricted ballistic missile defense programs. Last year, however, President Bush took the bold step of withdrawing the U.S. from the ABM Treaty. In order to capitalize on this important step, however, the Missile Defense Agency (MDA) needs a flexible system for managing what in reality is a complex set of systems and not an individual weapon. The missile defense provisions that the Bush Administration has included in the Defense Transformation for the 21st Century Act are a critical step in putting such a flexible management system in place.

**The Problems with the Current Funding System.** The current system funds largely research and development programs in the field of ballistic missile defense and breaks these programs into individual line items or Program Elements. This balkanization of the missile defense budget both defies logic and impedes progress.

The current budgeting system for missile defense treats each individual Program Element as an independent item, as if it were unrelated to the other Program Elements in the budget. The Bush Administration's missile defense program, for good reason, is not a series of stand-alone systems. It is an intricate constellation of systems in which each element is integrated with its companion elements. If the MDA decides to make a change to one element of the overall system, it almost certainly affects the design of other elements. Given the complex requirements for integrating the various Program Elements, the Missile Defense Agency needs the flexibility to shift funds between the existing accounts.

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



This paper, in its entirety, can be  
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The current budgeting system for missile defense, however, precludes efficiently shifting funds among accounts. To move funds, the MDA must obtain congressional approval for a “reprogramming request” or in some instances even request legislative changes. Reprogramming is a cumbersome process that can take two or more months. With more time lost, the U.S. missile defense program runs the risk of falling further behind the threat.

For example, the Sea-Based Midcourse element moved forward as a result of two successful intercept tests. Therefore, the Missile Defense Agency wanted to accelerate the program by funding long-lead development efforts, explore new technologies, and ultimately provide an initial defense capability. Ultimately, the Missile Defense Agency decided not to take these steps because the time required for obtaining a reprogramming request from Congress convinced MDA that the request was not worth submitting. The process of obtaining legislative changes is even more cumbersome. Yet, constructing ballistic missile defense testing facilities in Alaska required such a legislative change.

**Two Solutions to the Current Funding Problem.** The Bush Administration is proposing two solutions to the problem of the balkanized missile defense budget. The first solution is to consolidate all the existing Program Elements in the missile defense budget into a single Program Element. The new consolidated Program Element would be called the Ballistic Missile Defense System. This step would significantly reduce the time required to

reallocate funds within the missile defense program and improve the ability of the Missile Defense Agency to field an initial missile defense program for the protection of the U.S., its allies, and U.S. forces deployed abroad against ballistic missile attack.

The second solution is to allow the Department of Defense to expend funds for the missile defense program through a single appropriation for the Missile Defense Agency. This will serve to reduce the need for the MDA to request legislative changes, as well as submit reprogramming requests.

**Conclusion.** The growing threat to the United States, its allies, and U.S. forces deployed abroad will not wait for the Department of Defense to navigate its existing inefficient budget practices and eventually field a missile defense system. Today, the territory of the United States is completely vulnerable to ballistic missile attack. Every day of delay that results from this inefficient and slow budgeting process is another day the American people remain vulnerable. There is a better way. The Bush Administration has presented a solid proposal to reform the budgeting system for missile defense. Congress, as a result, can take a major step forward in accelerating the ballistic missile defense program by incorporating the Bush Administration’s proposals into the annual defense authorization bill.

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