

# Executive Memorandum

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## Defending Defense: Budgeting for an Unpredictable Future

*Jack Spencer*

With President George W. Bush's \$401.7 billion defense budget under consideration, some Members of Congress are entertaining the idea of cutting defense—at least modestly—to help reign in ballooning federal spending. However, cutting defense spending now is both unnecessary and dangerous. Even with recent defense budget increases, according to estimates by the individual services, the Pentagon has \$12.2 billion in unfunded priorities. Instead, Congress should fund the President's request, and the Pentagon should identify savings to help close the \$12.2 billion gap.

**Unfunded Priorities.** Although defense spending has increased since the Clinton Administration, chronic underfunding persists, burdening all services. The Army is \$6 billion short, including insufficient funding for vehicle armor, replacements for vehicles and aircraft lost in combat, and all components of military construction. The Navy needs \$2.5 billion for aircraft survivability equipment, Tomahawk missile procurement, simulation platforms, and ballistic missile submarine communications. The Air Force needs \$2.4 billion for identification electronics for airplanes to prevent friendly fire incidents, weapons of mass destruction response, and anti-terrorism force protection. Finally, the Marine Corps requires an additional \$1.3 billion for advanced mine detectors, miniature night vision, and Carbine, the shorter version of the standard Marine rifle.

*Maintaining an active, qualified force is expensive, but it is also a sound and affordable investment.* The United States can afford to defend itself. The defense budget, currently 3.5 percent of gross domestic product (GDP), is well within historic norms as a percentage of GDP. In every year from 1941 to 1994, except for 1948, the United States spent over 4 percent of GDP on national security.

- Cutting defense spending is unnecessary and dangerous.
- Even with recent defense budget increases, underfunding persists.
- Both Congress and the Administration should identify savings within the defense budget to reinvest in higher priority defense programs.

*The U.S. military is heavily committed.* Unless Congress wants to sacrifice either the war on terrorism, U.S. commitments to allies, near-term readiness, or the ability to prepare for the future, it should fund the President's budget. The harsh reality is that the Pentagon is simultaneously fighting a global

war, maintaining commitments that predate September 11, upholding peacekeeping commitments, transforming into a 21st-century fighting force, and recovering from a decade of underfunding and overuse. These efforts cost money.

*The all-volunteer force is expensive.* The Pentagon struggles daily to attract and retain highly qualified, professional soldiers, airmen, sailors, and marines.

This paper, in its entirety, can be found at:  
[www.heritage.org/research/nationalsecurity/em918.cfm](http://www.heritage.org/research/nationalsecurity/em918.cfm)

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On one hand, the result is the best military force ever assembled. On the other hand, competing with the private sector for the best and the brightest is expensive. While service to country, commitment, and honor remain the core of what makes America's uniformed personnel the best in the world, good pay and quality benefits help keep them in uniform. Hence, roughly two-thirds of defense spending goes toward people and only one-third goes toward research, development, and procurement of weapons.

*Remember the 1990s.* Many have already forgotten the 1990s, during which readiness was in a "nose-dive," according to Chairman of the Joint Chiefs of Staff General Hugh Shelton. Cutting defense spending now would not only reverse the recovery from Clinton Administration policies, but also effectively halt the Pentagon's critical transformation efforts.

***Economic prudence is a requirement for sound national defense.*** To pay for this force in an economically prudent way, both Congress and the Pentagon should take additional measures to ensure that American taxpayers are getting the best value for their money. Specifically, Congress and the Administration should:

- **Reduce non-defense spending in the defense budget.** While non-defense spending in the Pentagon has declined significantly, much remains that could be cut. For example, the 2005 budget funds overseas humanitarian, disaster, and civic aid (\$59 million); Small Business Innovation Research/Challenge Administration (\$2 million); humanitarian demining (\$13.7 million); Historically Black Colleges and Universities Science (\$14.2 million); peace-keeping operations in the Balkans (\$1.4 billion); and strategic environmental research (\$56.9 million). While some of these programs may have intrinsic value, they are not defense spending and should not detract from higher defense priorities.
- **Commit to Base Realignment and Closure.** The General Accounting Office estimates that previous BRAC rounds have saved the Department of Defense over \$16 billion through 2001

and will save \$6 billion annually henceforth. Another round of BRAC would generate another \$3 billion per year in savings. While a new BRAC process has begun, it could still be derailed. For example, presidential candidate John Kerry has advocated halting BRAC.

- **Divest unnecessary deployments.** The United States continues to invest scarce resources in operations that have little to do with its national interests, including over 3,000 troops in the Balkans, a region of no particular strategic value to the U.S. To the extent that troops are required, America's European allies are better suited to handle the burden. The United States should also resist any long-term military deployments to troubled areas such as Haiti or Liberia.
- **Exercise self-control.** Each year, Members of Congress earmark billions of dollars in the defense budget for programs in their districts. These earmarks are often for non-defense spending or unnecessary spending that the Pentagon never requested. Examples from the 2004 budget include Shakespeare in American Military Communities (\$1 million); Bug-to-Drug Program (\$5 million); Canola Oil Fuel Cell (\$2.5 million); the Smart Truck (\$5 million); the 21st Century Truck (\$12 million); Ernest Gallo Clinic & Research Center (\$4 million); the New England Manufacturing Supply Chain (\$8 million); Brown Tree Snakes (\$1 million); and Tribal Colleges-Science Lab and Computer Equipment (\$3 million).

**Conclusion.** The U.S. military is the best in the world and should be funded accordingly. Cutting the defense budget when there is already \$12.2 billion in unfunded priorities is misguided and short-sighted. Both Congress and the Administration can find less important spending that could be cut to reduce federal spending.

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