



America at Risk

Memo

Protect America Month: Providing for the Common Defense in the 21st Century

The Heritage Foundation's Protect America Month is a month-long campaign focusing on the need for increased defense spending in the 21st century. America still faces serious threats in the world and now is not the time to weaken our military through defense budget cuts.

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British Example Shows Danger Facing American Forces

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In a recent speech at the Eisenhower Library in Kansas, U.S. Secretary of Defense Robert Gates stated that “Given America’s difficult economic circumstances and parlous fiscal condition, military spending on things large and small can and should expect closer, harsher scrutiny.”¹ Secretary Gates is right to point to the dangers of America’s soaring budget deficits, but his implication that the U.S. defense budget contributes significantly to the problem is incorrect. The measures that he and the Administration propose are the same ones that have already been tried, and failed, in Britain. The British example shows the danger facing the U.S. forces.

Placing U.S. Defense Spending in Context

Today, including the cost of the wars in Iraq and Afghanistan, the U.S. is spending 4.9 percent of its gross domestic product (GDP) on defense. That is less than the post-1945 average of 5.3 percent and about as much as the U.S. spent in 1978 and 1979 under President Jimmy Carter. Defense now consumes 15.7 percent of the federal budget, while in 1978 it consumed 22.7 percent. The Administration plans to reduce defense spending to 3.4 percent of GDP and 14.6 percent of the budget by 2015, with further reductions to come.

The President’s 2011 budget, according to the Congressional Budget Office, projects a deficit of \$1.3 trillion, almost twice as much as the total defense bill of \$740 billion. Commentators who argue that either

the core defense budget or the cost of current operations created the burgeoning U.S. deficit show a willful disregard of history and reality. Defense spending is not squeezing the budget: As Secretary Gates’s remarks show, defense is being squeezed for the sake of the rest of the budget.

The Administration’s Dangerous Proposals

The Administration proposes a \$90 billion cut in core defense spending in 2012, followed by modest increases. This approach is politically convenient, because it will allow the Administration to claim credit for several annual increases in defense spending, but it still amounts to an overall reduction.

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The Administration assumes that current operations will end after 2011: This is unrealistic. The Administration argues that in this new era of counterinsurgency warfare, expensive Cold War weapons are unnecessary: This ignores post-Cold War experience, which—with the exception of nuclear weapons—has seen the use of all of America’s Cold War systems. And it argues that the need for, and the potential savings from, procurement reform is demonstrated by the expense of these

weapons: This ignores the fact that procurement has declined as a share of overall U.S. defense spending.

The end result of the Administration's proposals is that already strained modernization budgets will be forced to absorb even more reductions, as well as the cost increases that come with inflation and the military entitlement system, leaving the U.S. facing a substantial procurement bill and unable to meet all of its commitments.

Lesson of the British Example

Every proposal the Administration is currently advancing has an exact parallel in Britain. This is not a coincidence. In part, this parallel exists because the U.S. now has an Administration that, like the one elected in Britain in 1997, is eager to increase social spending and to cut defense. Similar aims lead to the same quest for arguments to justify policies that were chosen before the arguments were devised.

But the parallel also exists because the U.S. and Britain are borrowing arguments from each other. British defense planners explicitly acknowledge that their current proposals were inspired by Secretary Gates.² It is therefore reasonable to look to the British example to judge the merits of the Administration's plans.

The British experience in the realm of defense since 1997 has been little short of disastrous. After it was elected, the Blair Government embarked on a major defense review, which it released in 1998. The review was based on the premise that procurement reforms would achieve substantial efficiencies, which in turn would allow the rest of the defense budget to be cut without harm to Britain's capabilities and responsibilities. The result was that defense spending in Britain declined as a share of GDP from 1996 through 2004, even as Britain fought wars in Sierra Leone, Kosovo, Afghanistan, and Iraq.

The experience of these wars did not persuade the government that its policy was fundamentally miscon-

ceived; instead, it continued to emphasize efficiencies and to dribble out increases to fight the public relations fire of the day. It never treated defense as a serious issue requiring sustained, careful investment at a level that would not damage the nation's economy, but also at one sufficient to sustain and train the forces of today while procuring for the force of tomorrow.

The results of this experiment did not justify the government's policy. It turned out that it was extremely difficult to secure efficiencies in defense procurement, so while the cuts in defense spending were real, they were not compensated for by efficiency gains. Instead, the cuts forced delays in programs, increasing their overall cost while simultaneously piling up a procurement gap as the military of today consumed the funds that should have built the military of tomorrow.

As a result, by October 2009, the Ministry of Defense estimated its total procurement shortfall through 2038–39 at between £35 billion and £100 billion.³ This did not stop the government from taking credit for increasing defense spending after 2004, even though these increases did not close the growing gap between planned and required spending.

In response to this failure, the government changed its tune. In 1998, it argued that Britain needed to retain balanced forces, including a modern armored force. But by 2003, it concluded that balanced forces were unnecessary: Britain could rely on the U.S. to supply them, and in any event, changes in the nature of war—such as modern insurgencies—were rendering them irrelevant.

In an era of declining defense spending, this was a convenient conclusion, because balanced forces are more expensive than lighter counter-insurgency capabilities. It was also wrong: The British occupation of Basra in Iraq was a fiasco in part because, as the commander of the British 4th Mechanized Brigade later acknowledged, Britain lacked the heavy capabilities necessary to maintain order in the city.⁴

1. "Remarks as Delivered by Secretary of Defense Robert M. Gates, Abilene, KS, Saturday, May 08, 2010," U.S. Department of Defense, at <http://www.defense.gov/speeches/speech.aspx?speechid=1467> (May 20, 2010).

2. *Review of Acquisition for the Secretary of State for Defence: An Independent Report by Bernard Gray*, October 2009, p. 15, at <http://www.mod.uk/NR/rdonlyres/78821960-14A0-429E-A90A-FA2A8C292C84/0/ReviewAcquisitionGrayreport.pdf> (April 19, 2010).

3. Calculated from figures in *Review of Acquisition*, p. 27.

4. Ted R. Bromund, "British Defense Cuts Threaten the Anglo-American Special Relationship," Heritage Foundation *Backgrounder* No. 2210, November 18, 2008, pp. 10, 12, at <http://www.heritage.org/Research/Reports/2008/11/British-Defense-Cuts-Threaten-the-Anglo-American-Special-Relationship> (April 19, 2010).

Learning the British Lesson Before It Is Too Late

A recent review of Britain's procurement gap acknowledged the obvious: The "policies of successive governments, and a lack of political will to present to the electorate the unpleasant reality of the position, has been a significant force behind [the] double-think" on the inadequacy of Britain's defense budget. It is a sign of Britain's continued peril that this report also calls for Britain to respond to the gap between its commitments and capabilities by defining its commitments down and by giving up on any effort to maintain a balanced military.⁵

It is a sign of America's peril and lack of political will that Secretary Gates is now advancing the same policies that created the procurement gap in Britain. The result in the U.S., as in Britain, will be to confront the U.S. down the road with a large bill for closing this gap and with the fact that it cannot fulfill all of its commitments.

5. *Review of Acquisition*, pp. 23, 24.

The only difference between the U.S. and Britain is that, while the British believed they could rely on the U.S. to defend our common interests, the U.S. will not be able to rely on any other democratic nation to play that role. The U.S. must demonstrate the maturity

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necessary not to follow the British example, which would endanger its allies and interests around the world and render the United States unable to fulfill the first duty of government: providing for the common defense.

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PROTECT AMERICA

The 21st century will be a dangerous place if America fails to protect itself and its allies.

This product is part of the Protect America and American Leadership Initiatives, two of 10 transformational initiatives in our Leadership for America campaign.

AMERICAN LEADERSHIP

The freedom and security of Americans depend on America's global leadership.

