

Background

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Defense Planning for the Twenty-First Century: Lessons from the Twentieth

The Honorable Donald C. Winter

Abstract: *In confronting the federal debt crisis, Congress should take special care not to cut the defense budget in ways that would reduce the U.S. military's ability to dissuade, deter, and, if necessary, defeat future adversaries. While America has made significant cuts to defense spending before when threats receded, today the U.S. faces a disturbingly diverse set of national security challenges ranging from Somali pirates to transnational terrorist organizations to rogue nations with nuclear weapons. One of the best investments the U.S. can make is in military capabilities that dissuade and deter future adversaries.*

As the United States finally confronts its burgeoning debt, it must ensure that the proposed budget cuts are not only sized and timed appropriately, but also targeted to achieve the desired financial objectives, without exposing the nation to unintended and unacceptable consequences.

This is particularly true with the defense budget. At roughly 20 percent of the federal budget, defense spending no longer dominates U.S. government expenses, due in part to the growth of the many entitlement programs. However, as the Department of Defense (DOD) budget constitutes over half of the federal "discretionary accounts," it naturally presents a target for budget cuts. President Barack Obama is seeking \$400 billion in additional defense cuts through fiscal year (FY) 2023. This averages to more than \$33 billion per year.¹

Talking Points

- The U.S. faces a disturbingly diverse set of national security challenges, including Somali pirates, transnational terrorist organizations, rogue nations acquiring nuclear capabilities, the Chinese military buildup, and continuing unrest in the Middle East.
- The Pentagon needs \$731 billion in FY 2012 and \$3.6 trillion over the next five years to maintain readiness and advance its capabilities.
- President Barack Obama is seeking \$400 billion in additional defense cuts through FY 2023.
- Recovering from misguided cuts in defense programs is often difficult because the timelines for the development and acquisition of modern defense systems far exceed the timeframes for changes in the world geopolitical domain.
- From a financial perspective, with the costs of Iraq and Afghanistan exceeding \$1 trillion, it is evident that investments that help to avoid war provide some of the best returns.

This paper, in its entirety, can be found at:
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However, Congress should not make cuts to the defense budget based on which programs are at an opportune time for termination or on which facilities lack adequate political support. They should be made based on realistic assessments of where efficiencies can be obtained while maintaining the capability to dissuade and deter future adversaries and to defeat them if needed.

Current Threats and Challenges

America has made significant cuts to defense spending before—after both World Wars, Korea, Vietnam, and the fall of the Berlin Wall in 1989. Those cutbacks reflected the cessation of hostilities and a credibly perceived reduction in the threats to the nation. The situation today is quite different. The U.S. faces a disturbingly diverse set of national security challenges that spans the spectrum from pirates threatening U.S. citizens and world commerce off the coast of Somalia to transnational terrorist organizations such as al-Qaeda to rogue nations acquiring nuclear capabilities such as North Korea. Added to these threats are the military buildup in China² and continuing unrest in the Middle East. In this environment, it is difficult to argue that the U.S. will not face continued challenges to its security.

The demands for a “peace dividend” after the fall of the Berlin Wall in 1989 led to U.S. military reductions that cut the number of active duty personnel by one-third and cut the army’s force structure from 18 divisions to 10.

Providing for the common defense in this environment has multiple budgetary implications, from support for current operations to investments intended to dissuade others from preparing for conflict and to deter them from attacking the U.S. or its allies. First, and arguably foremost, America has a profound obligation to ensure that those who

go in harm’s way on its behalf are properly trained, equipped, and supported and that, if they are wounded, they are cared for properly. Fortunately, while debates continue regarding the future of U.S. engagements in Iraq, Afghanistan, and elsewhere in the Middle East, the need to provide such support to U.S. military personnel is generally recognized.

The same cannot be said for those military investments that can serve to avoid future wars. Investments in personnel, readiness, and equipment appear to be under a broad attack, without proper consideration of where such cuts will fall and their implications for the future. The demands for a “peace dividend” after the fall of the Berlin Wall in 1989 led to U.S. military reductions that cut the number of active duty personnel by one-third and cut the army’s force structure from 18 divisions to 10. Much of the recent difficulty the U.S. has experienced in maintaining a high operational tempo over an extended period of time in Iraq and Afghanistan is traceable to this downsized force and the challenges of rapidly rebuilding Army and Marine Corps end strength within the constraints of an all-volunteer force.

Lessons from the Falklands

The U.S. is not the only nation that has turned to defense cuts to solve budgetary problems and then learned to regret the consequences. Perhaps the best example of unintended consequences from budget-driven defense cuts is the United Kingdom’s experience in the early 1980s. Faced with a severe economic downturn, the 1981 U.K. Defence Review noted that “the right balance must be re-established between inevitable resource constraints and...necessary defence requirements. In other words, the Government’s commitments to spend money on defence have outstripped the availability of funds.”³ Sir John Nott, Secretary of State for Defence, chose to focus almost exclusively on U.K. support for NATO. Most of the cuts fell on

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1. Baker Spring, “President Obama’s Disconnect on the Defense Budget,” Heritage Foundation *WebMemo* No. 3226, April 15, 2011, at <http://www.heritage.org/Research/Reports/2011/04/President-Obamas-Disconnect-on-the-Defense-Budget>.
 2. Amol Sharma, Jeremy Page, James Hookway, and Rachel Pannett, “Asia’s New Arms Race,” *The Wall Street Journal*, February 12, 2011, at <http://online.wsj.com/article/SB10001424052748704881304576094173297995198.html> (April 11, 2011).
 3. Her Majesty’s Stationary Office, “The United Kingdom Defence Programme: The Way Forward,” Cmnd. 8288 (London: Her Majesty’s Stationary Office, 1981).

the Royal Navy, which was to lose 20 percent of its destroyers and frigates, one-third of its “thru deck cruisers” (light carriers), and both of its amphibious ships, as well as a significant part of its supporting infrastructure. Of the four Royal Dockyards, Chatham and Pembroke were to close, and Portsmouth was to lose its refitting capability. The cuts in the Royal Navy’s force structure were based, in part, on the belief that any future overseas expeditionary operations would be conducted as part of NATO. It is therefore not surprising that one of the ships to be cut was the HMS *Endurance*, the Antarctic patrol ship that provided the Royal Navy’s presence in the Falkland Islands.

As in the Falklands with Argentina, ill-considered plans for defense cutbacks can trigger a reappraisal of that deterrence and lead to an unanticipated conflict.

In Argentina, General Leopoldo Galtieri, frustrated by protracted negotiations with the U.K. over the Falklands and facing increasing domestic unrest, observed these moves and apparently concluded that Britain would not or could not defend the islands.⁴ On Friday, April 2, 1982, Argentina invaded the Falklands—ironically, on the same day that layoff notices were handed out at the Royal Dockyards in Portsmouth. Nonetheless, the fleet was readied for deployment over the weekend, and the first ships deployed the following Monday. By July 1982, 44 ships were modified or repaired at Portsmouth in support of the Falklands campaign. The capabilities of the Royal Navy and the industrial base that supported it proved to be decisive in this conflict, particularly since Britain fought this engagement with limited support from its allies. One wonders how the battle of the Falklands would have played out if Galtieri had not been pressured by growing demonstrations at the end of March and had waited a few months. If the Royal Navy ships had been deactivated and the dockyards de-staffed, the results might have been quite different.

The war in the Falklands was a case of failed deterrence. Deterrence is often portrayed in terms of nuclear weapons and strategic systems, but the concept of deterrence has a much broader context. A country’s full range of military capabilities, readiness, and perceived resolve provides a measure of deterrence to any potential adversary. As in the Falklands with Argentina, ill-considered plans for defense cutbacks can trigger a reappraisal of that deterrence and lead to an unanticipated conflict.

There Is No Crystal Ball

Perhaps one of the most important lessons to learn from the U.K.’s experience with the Falklands is the danger in believing that one can accurately project future military challenges or the support that allies would provide. This is as much evident in U.S. defense planning as it is for the U.K. Who forecasted U.S. engagements in Somalia or the Balkans, much less Iraq and Afghanistan? Who anticipated Turkey’s refusal to permit U.S. forces to stage for Desert Storm or Spain’s reaction to the 2004 terrorist attack in Madrid?

Today, the nature of future conflicts, as well as their location, is increasingly uncertain. Wars are often the results of miscalculation, and the costs of war are high. No one knows that more than the families of the nearly 6,000 U.S. men and women who have made the ultimate sacrifice in Iraq and Afghanistan. From a financial perspective, with the costs of Iraq and Afghanistan exceeding \$1 trillion, it is evident that investments that help to avoid war provide some of the best returns.

Investing in the Future

The one investment that exceeds the returns from deterrence is investment that dissuades potential adversaries from even developing capabilities to challenge the U.S. There is, arguably, no better example than President Ronald Reagan’s unwavering commitment to the Strategic Defense Initiative (SDI). Soviet General Secretary Mikhail Gorbachev acknowledged this when he defended *Perestroika* and proposals for disarmament at a Politburo session in October 1986, noting the alternative that

4. See Robert Reginald and Jeffrey M. Elliot, *Tempest in a Teapot* (San Bernardino, Calif.: Borgo Press, 1983).

“we will be pulled into an arms race that is beyond our capabilities, and we will lose it because we are at the limits of our capabilities.”⁵

Not unlike the failed deterrence in the Falklands, dissuasion can be instilled or lost based on intentions signaled in policy speeches and budgets. Reagan’s commitment to SDI was clearly stated in his many speeches on the topic and reflected in the DOD budget. Gorbachev received the message and responded accordingly. The U.S. still has yet to make the full investment needed to realize Reagan’s vision, but has already received great returns, perhaps the best return on defense investments ever made.

What the U.S. Should Do

Congress and the President should apply the lessons from history by:

- **Meeting the DOD’s budget request.** The Pentagon needs \$731 billion in FY 2012 and \$3.6 trillion over the next five years to maintain readiness and advance its capabilities.⁶
- **Reviewing the DOD’s assets and procedures to eliminate waste and redundancy.** All savings should be redirected back into military programs that are both necessary and cost-effective.
- **Finishing the job in Afghanistan.** Nothing would hurt American credibility more than a premature withdrawal from the front lines of the global war on terrorism.

- **Fully funding missile defense.** SDI played an integral part in ending the Cold War, and it is essential to counter current threats from Iran, North Korea, and other rogue actors.

Effective Deterrence

The challenge now is to ensure that America’s future military will have the personnel, facilities, equipment, and readiness to dissuade potential adversaries and to act as an effective deterrent across the broad spectrum of potential threats. Any cuts should be made with a clear recognition of the timelines required to recover from such actions and reconstitute U.S. capabilities, if and when needed. Regrettably, the timelines for the development and acquisition of modern defense systems far exceed the timeframes for changes in the world geopolitical domain. These timelines may increase even further if the industrial base materially contracts from where it is today.

Waiting to respond to challenges is not an option. As the U.S. has become more dependent on manufactured goods coming from other countries, the ability to use the industrial base to surge and respond with timely capabilities, as in World War II, is increasingly limited. A steady, long-term commitment to military modernization is necessary to preserve the industrial base and provide the capabilities and clear evidence of resolve that can dissuade and deter future adversaries.

—*The Honorable Donald C. Winter has served as U.S. Secretary of the Navy (2006–2009).*

5. Fred Kaplan, “Ron and Mikhail’s Excellent Adventure,” *Slate*, June 9, 2004, at <http://www.slate.com/id/2102081> (April 11, 2011).

6. Spring, “President Obama’s Disconnect on the Defense Budget.”