

Austere Defense

Challenges and Opportunities

During the past year, the intensity of debate surrounding the current and future defense budgets has reached a fever pitch. Now, as political leaders, military planners, and industry moguls look toward the 2016–19 time frame, each is confronted with several difficult questions and choices impacting national security. For example, how much defense is enough? What is an acceptable level of risk given our austere budget climate? What kind of defense capability and level of readiness best meet US security needs? And what choices must be made to balance our national security ends, ways, and means? Of course the answers to these questions and many others have been hotly debated and, for the FY–2015 budget, mostly decided by Congress and the administration. But the debate is just beginning for the following year’s defense program, which is sure to present major challenges and a few opportunities. To understand the nature of this challenge, two overarching issues emerge: the ever-increasing US debt that led to sequestration and congressional culpability in creating and solving this problem. While these issues have grave implications for US national security, there are a number of reasonable solutions and ways to manage them during times of austere defense.

Former chairman of the Joint Chiefs of Staff, ADM Mike Mullin, stated that US debt was the greatest threat to national security.¹ While not all would agree with this statement when compared to the decline of other great powers, be they Rome or the former Soviet Union, Mullin’s view seems worthy of our attention. With current federal debt approaching \$18 trillion, we will soon find ourselves constrained in our ability to maintain a position of strength and flexibility in the world. Further, information from the Congressional Budget Office in April 2014 indicates public debt has reached 72 percent of GDP and is expected to increase to 78 percent by 2024.² In 2007 that ratio was only 35 percent. Granted, spending for two wars since 2001 contributed to this situation, and while defense is not the only cause, it is part of the solution.

To make matters worse, our spending addiction has focused mostly on consumption rather than productive infrastructure such as roads, bridges, ports, and high-speed rail lines, further limiting US national

security prowess. Should the United States suffer another financial crisis similar to 2008 before mitigating its budget woes, the implications could be devastating. The Budget Control Act (BCA) of 2011 was an attempt to address our debt crisis, but its impact is being felt throughout many levels of discretionary funding, most notably defense. The commendable efforts of Congress and the administration to gain control of huge deficits are essential to the long-term strength of the US economy, the military, and even the survival of Western democracy. While Colin Powell would say, “fix the problem, not the blame” the US Congress in both respects is culpable.

The Constitution, Constituency, and Coincidence

Collectively, Congress has a constitutional responsibility to provide for the national defense, and as elected officials, individual congressmen also have a responsibility to their local constituencies. While appearing in many ways to conflict, these competing responsibilities in reality coincide. Throughout the history of the United States, elected representatives have found ways to ensure this. Given the myriad of examples, cynics will question whether any politician has ever separated the choice between national security imperatives and their constituencies—or ever will do so. Politics has devolved into the great coincidence that spending for certain aspects of national defense also offers great benefits to particular states, locales, and communities—public, private, individual, and collective. The result of this paradigm feeds the addiction to spending and the sense that what is good for the constituency is good for national defense. How has this thinking manifested itself most recently? The most sensational examples include unwanted weapon systems, industrial base arguments, infrastructure, and compensation reform.

The Army provides one of the latest examples of unwanted weapon systems as Congress continues to require purchases of tanks in excess of service requirements. A similar example emerges from the Navy where excess amphibious ships and aircraft are funded continuously. The same pattern exists within the Air Force. For years Congress insisted on buying C-130 cargo aircraft even though service tactical airlift requirements were fulfilled. Today, the issue is the inability to divest the A-10 ground attack aircraft despite its poor survivability, obsolescence, and costs. Each of these examples indicates the reality of how constituency and co-

incidence appear to overcome constitutional responsibility for national defense—especially in the face of best military advice. In many ways these same arguments apply to support for the industrial base. But in this case, the coincidence factor is even more prevalent, and the constituency is the defense industry. A recent *Joint Force Quarterly* article cited two examples. The case of the M1 tank alluded to earlier includes 882 suppliers throughout the country, while the F-35 joint strike fighter program involves 1,300 suppliers located in almost every state.³ Critics of this line of reasoning may question the wisdom of curtailing industrial base support because of long lead times for recovery and strategic risk. But in an austere defense environment, when one compares the level of US capabilities to those of our potential rivals over the next 10 years, the industrial base support argument becomes another coincidental constituent benefit that crowds out higher priority national security investments such as research and development, readiness, education, and innovative exploitable technologies.

The area most indefensible when considering how to address austere defense is infrastructure. Since the last round of base closings in 2005, the DoD remains overinvested in infrastructure. Currently, it maintains more than 500 bases around the world, which amounts to between 20 and 30 percent overcapacity. The Center for a New American Security (CNAS) says the DoD saves approximately \$12 billion each year as a result of the last round of closings and estimates that savings of \$17 billion over the next 10 years could emerge from another cycle.⁴ Again, best military advice pleads for more consolidation, and at least one member of Congress, Rep. Adam Smith (D-WA), calls another round of BRAC absolutely necessary.⁵ Most communities surrounding military installations appreciate the impact those bases offer—noise notwithstanding. But as has been the case with previous base conversions, there can be very positive results from transitioning a federal facility to local control, including industrial development, commercial use, housing expansion, and recreation, along with the expanded tax base these conversions offer.

Finally, consider the impact of congressional decisions on military compensation and benefits. During the last five years, leaders within the DoD have been asking for compensation reform—both direct military pay and, more importantly, health care compensation. The debate is not a question of whether these benefits have been earned, for clearly they have. It revolves around the issues of sustainability and affordability.

Numerous studies have highlighted the skyrocketing costs of military health care even as active and retired ranks shrink. Likewise, according to Todd Harrison of the Center for Strategic and Budgetary Assessments (CSBA), the cost of direct military pay has increased 60 percent since 2001. Today, approximately 50 percent of the entire DoD budget is devoted to personnel expenses. Again, this is not an argument about the value of personal commitment to our national defense; it is about sustainability and affordability. Congress, considering voting members of the military among its constituency, has consistently rejected reasonable attempts to reign in the costs of medical care and slow the growth of direct compensation. The result has been, as in the examples above, increasing costs funded by higher appropriations, leading to higher deficits. Only in the DoD civilian workforce has growth in direct compensation been held in check over the last three years. This short review of the US debt crisis does not address all the causes and in fact omits another major factor—entitlements. But the fact remains, the US defense budget is part of the problem, it is exacerbated by certain congressional actions, and it must now be part of the solution. The austere defense years are upon us and will present mostly challenges to US leadership but will also offer opportunities to help heal the nation's debt crisis and sustain a strong national security through reasonable solutions based on best military advice.

A New Way Forward

Surviving the austere defense years will require an internal partnership between the DoD, Congress, the defense industry, and the American people. The partnership will necessitate a new approach to how the United States views its defense expenditures—more as the foundation of national security and much less as direct support to a particular constituency. In practice this idea can be translated into several reasonable solutions, including reassessing short-term risk versus long-term strength, accepting best military advice while acquiescing to divestitures, and effectively executing the austere defense cuts required by current law through 2019 and beyond.

Balancing risks is a continuous problem, and during times of austere budgets it becomes even more important. This balancing begins with recognizing that other regional powers may well emerge in key areas of

the world within the next 10 years. The unipolar superpower era is waning, so the United States should temper its global ambitions and embrace selective nonintervention while putting America first. This does not mean a false choice between global leadership and isolation—rather, it is a greater acceptance of risk and prioritized engagement. This philosophy will allow the nation to focus on financial stability and strength for the long term with minimum risk in the short term. The opportunity here is to accept greater risks over the next 10 years while the correlation of forces arrayed against US interests is still favorable. Could it be that our assessments of risk have, over time, become too conservative? Indeed, even with the effects of full sequestration the United States will remain a great power with a formidable military and strong alliances. Perhaps instead of lamenting the austere budget climate, the United States should allocate more time reminding potential adversaries of this fact. The DoD should be encouraged to explore specific risks associated with continued sequestration and propose its best military advice toward mitigating those risks and the force structures to do so.

Many opportunities for dealing with sequestration are being proposed within the DoD, only to be rejected by Congress. So, a next step toward reasonable solutions includes accepting the best military advice on unwanted weapons, industrial base support, and excess infrastructure. It also requires acquiescence by Congress in the DoD's ability to manage personnel costs such as the 1.0-percent increase in basic military pay and limiting the cost of living adjustment for retirees. Acquiescence is not shirking a constitutional duty. The services must also be allowed to shed excess infrastructure, equipment, and personnel. There must not be sacred cows among the initiatives unless we intend to make the best military burgers. Part of the thinking behind the opportunity of sequestration should encompass the idea of legislative relief. Each service should create specific recommendations for relief from inefficient or ineffective requirements. A most recent example involves greater information technology acquisition flexibility and oversight, and greater reprogramming authority.⁶ Additionally, the services must analyze how they measure readiness to verify if legacy processes remain the most valid assessment. Of course the services should also review their organizational structures, but they cannot organize their way out of this budget crunch. Looking at overhead, as Douglas Macgregor of *Politico* magazine reminds us, during World War II, only four four-star generals commanded a force

of 11 million soldiers. While the comparison is imprecise, it illustrates the point. Today the Army, Navy, and Air Force each have more than 10 four-star officers. To its credit, the Air Force is considering a proposal to decrease this number—pending congressional approval. No doubt the austere defense climate presents many challenges and opportunities for the services. But there are ways to effectively execute these cuts, particularly if congressional support is available.

In 2011, then deputy defense secretary William J. Lynn III, speaking to the Aerospace Industry Association in Paris, discussed four ways to effectively deal with drawdowns. First, make the hard decisions early. Things like marginally performing programs, unwanted weapons, and even personnel reductions all have a time value. And these capabilities are not like fine wine—they do not get better with age and become even more unaffordable. Second, Lynn noted efficiencies and productivity gains will only go so far in alleviating the budget pain. Although necessary, they will not be sufficient. Next, he stated the reductions must be balanced; they should not come from only one area of the budget—particularly operations and maintenance. Finally, Lynn recommended to not cut too much too fast. He clarifies this remark by saying one should avoid across-the-board cuts in favor of vertical choices.⁷ It appears the services' proposals have followed Lynn's advice rather closely, with few exceptions. Efforts from former secretary of defense Robert Gates eliminated many poor-performing or over-budget systems, and even more efficiency has been adopted recently. The Air Force has decided to reach its desired end strength quickly in an attempt to save and reinvest those funds, while the Army is drawing down personnel somewhat slower but at an effective pace. The Air Force has been the most ambitious of the services for vertical cuts but has enjoyed little success attaining congressional acquiescence. To reach the sequestration level of defense funding for FY 2016–19, other vertical cuts will be required and simply must be approved.

There is more to the debate of how to effectively execute not only the BCA, but any defense budget in any future year. Part of the debate must revolve around separating the requirement for national defense capabilities from any constituency. The true test of individual congressional responsibility is support for best military advice on organizing, training, and equipping military forces regardless the impact on any constituency.

And those constituencies include local districts, national industry, and even foreign governments.

Consider for a moment the impact of disassociating defense procurement from any constituency and visualize the impact of consolidating defense item production in a smaller number of states. Rather than creating a deliberate connection to the constituency in almost every state, industry would be free to select the most effective organization and footprint for production. Might there be savings associated with this arrangement? Might there be shorter acquisition cycle times, or might it be easier for elected representatives to realistically make decisions from a purely national point of view? Critics will argue that disconnecting defense spending from any of these constituencies would result in even less defense spending due to a lack of concern from the public and a lack of direct support for defense expenditures. This would result in critical national security capabilities being supplanted by other domestic priorities. But this myopic view discounts the true nature of feelings toward the military services among the US public.

Most Americans understand that freedom is not free, that the price of freedom is sacrifice, and for some that sacrifice is their life. Americans understand that democracy can only survive when people are willing to sacrifice for the greater good—particularly for the defense of the country. While national defense provides an opportunity for the US way of life, liberty, and prosperity, it does not nor should it guarantee defense expenditures that provide direct support to any particular constituency. These concepts must be professed and defended by elected representatives and appeals presented by defense leaders as the higher calling required for making decisions that impact national security. Many will consider such a stance political suicide, and perhaps austere defense presents the perfect circumstance to commit it. The American people must demand it and accept it.

Without question, the current and projected level of debt is a major concern for the future stability and status of the United States. It is a problem of the first magnitude that must be confronted and solved. While the US Congress has attempted to address this problem through the 2011 BCA, few proposed changes in defense spending to date have been allowed. But with reasonable choices, the partnership between Congress, the DoD, the defense industry, and the people can lead to a more stable, prosperous financial position and increased strength for the

long term. It will require reassessing the short-term level of acceptable risk, more national-level decision making detached from any constituency, and altruistic thinking within the partnership. Seventy years after the D-day invasion of Europe, one can only think of the sacrifices the United States made at that time and since. Today, the challenges are hardly as daunting or nearly as risky, but left unchecked they could be equally destructive. We must now contemplate our austere defense situation, confront the challenges, accept the risks, and make the sacrifice worthy of those who 70 years ago gave us this opportunity. **SSQ**

W. Michael Guillot

Editor, Strategic Studies Quarterly

Notes

1. CNN Wire Staff, "Mullen: Debt Is Top National Security Threat," *CNN.com*, 27 August 2010, <http://www.cnn.com/2010/US/08/27/debt.security.mullen/>.
2. Congressional Budget Office, "Updated Budget Projections: 2014 to 2024," 14 April 2014, <http://www.cbo.gov/publication/45229>.
3. Lawrence Spinetta, "Cut Defense Pork, Revive Presidential Impoundment," *Joint Force Quarterly* 72 (1st Quarter 2014): 65–68.
4. David Barno et al., "The Seven Deadly Sins of Defense Spending," *Foreign Policy*, 6 June 2013, http://www.foreignpolicy.com/articles/2013/06/06/the_seven_deadly_sins_of_defense_spending.
5. Anna Mulrine, "Military Budget: Four Ways US Lawmakers Are Blocking Pentagon Cost-Cutting," *Christian Science Monitor*, 20 May 2014.
6. Sydney Freedberg Jr., "Congress, Please Don't Treat IT Purchases Special: Kendall Aide," *Breaking Defense*, 12 June 2014.
7. John Banusiewicz, "Fiscal Crisis Requires Responsible Approach, Lynn Says," American Forces Press Service, 20 June 2011.

Disclaimer

The views and opinions expressed or implied in SSQ are those of the authors and are not officially sanctioned by any agency or department of the US government. We encourage you to send comments to: strategicstudiesquarterly@us.af.mil.