



Top 10 Fiscally Responsible Defense Cuts

How to Save \$357.8 billion by 2015

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In his State of the Union [address](#), President Barack Obama called for a five year freeze in non-defense domestic discretionary spending, pledging that he is “willing to eliminate whatever we can honestly afford to do without.” The president’s efforts to address the deficit are both admirable and important to the long-term well-being of the nation. In July of last year, Chairman of the Joint Chiefs of Staff Admiral Michael Mullen went so far as to call the national debt “the biggest threat we have to our national security.” Reducing the country’s massive deficit will require spending cuts from all departments, including the Department of Defense.

Here’s a look at 10 ways to reduce defense spending, while safeguarding our vital national security interests:

Terminate the Marine Corps’s Expeditionary Fighting Vehicle (\$9-10 billion in savings by 2020)

Let’s start with the low hanging fruit. The Marine Corp’s EFV—a swimming tank designed to carry troops up to 25 miles on water and 345 miles on land—is ill-equipped to meet the threats of the 21st century. The EFV’s smooth, low underbelly leaves it highly vulnerable to improvised explosive devices, and its amphibious range is not large enough to keep the ships launching the vehicle safe from modern antiship missile technology. Moreover, it’s an unnecessary investment: The Marines have not conducted an amphibious landing under fire since the Korean War.

In January 2011, Defense Secretary Robert Gates announced the [cancellation](#) of the EFV program. Congress should heed his request. Terminating the EFV and updating the Corps’s current armored amphibious vehicles would save an estimated [\\$9 to \\$10 billion over the next decade](#).

Permanently reduce the number of U.S. military personnel stationed in Europe and Asia (\$80 billion in savings by 2020)

About 150,000 active duty U.S. troops are assigned to Europe or Asia. In spring of 2010, the Sustainable Defense Task Force found that our nation could save \$80 billion over the next decade by shrinking this presence. Given improved U.S. capabilities for long-range strikes and rapid troop transport, the Task Force found that withdrawing 33,000 troops from Europe and 17,000 from Asia would not undermine U.S. security. Moreover, in recent months, many European countries have dramatically cut defense spending in order to combat rising deficits, suggesting that they no longer view large military forces as necessary for security on the continent.

Redirect the majority of the Department of Defense's planned efficiency savings to reduce the baseline defense budget (\$70 billion through 2015)

In spring of 2010, Secretary Gates began an initiative to trim overhead and increase efficiency at the Department of Defense. Since then, DOD has identified \$154 billion in overhead savings and efficiencies through 2015. The Pentagon intends to keep \$70 billion of this money to reinvest in other programs. Given the already tremendous size of our defense budget, U.S. security would be better served by utilizing these funds to reduce the baseline defense budget.

Cancel the V-22 Osprey program (\$10-12 billion by 2020)

The V-22 Osprey helicopter has been long hampered by cost overruns and technical problems. Opposition to the program is bipartisan: the co-chairs of President Obama's 2010 deficit commission recommended ending procurement of the V-22; during his stint as secretary of defense, Dick Cheney attempted to cancel the program four times, calling it a "turkey."

Like the EFV, technical problems have seriously impaired the Osprey's performance. A May 2009 Government Accountability Office report found that "in Iraq, the V-22's mission capability (MC) and full mission capability (FMC) rates fell significantly below... rates achieved by legacy helicopters." Given the V-22's high price tag—it costs five times as much as other models—and lackluster performance, there is no reason for DOD to continue sinking money into this turkey. Terminating the program would save \$10-12 billion in the next decade.

Roll back post-September 11, 2001 efforts to grow the ground forces (\$10.1 billion per year)

Defense Secretary Robert Gates has openly proclaimed that in the wake of Iraq and Afghanistan, the United States is “unlikely to repeat ... forced regime change followed by nation building under fire.” As a result, U.S. ground forces can and should gradually return to their pre-September 11 sizes as these two wars come to a close. A recent article in *Defense News* found that each active duty soldier costs DOD between \$100,000 and \$120,000 per year. Even using the conservative \$100,000 number, rolling back 74,200 Army and 27,000 Marine positions would save about \$10.1 billion each year.

Reduce the number of civilian DOD personnel concomitant with the reduction in military end strength (\$7 billion per year)

The Defense Department is the federal government’s largest civilian employer—of the approximately 1.9 million civilians employed by the government in 2008, 652,000 worked for DOD. As the approaching end of U.S. operations in Iraq and Afghanistan make possible a return to the pre-September 11th size of the active duty Army and Marines Corps, policymakers can gradually make an equal reduction in the size of the civilian support staff. In FY 2011, DOD spent \$77.07 billion on its civilian work force. As a result, cutting civilian positions by 10 percent would save about \$7 billion a year.

Reduce procurement of the F-35 Joint Strike Fighter (\$16.8 billion by 2015)

The F-35 Joint Strike Fighter program is one of the largest and most troubled DOD acquisition projects. This year in response to “significant testing problems” in the Marine Corps’s variant of the plane, Gates announced a two-year probationary period for the variant and noted that it should be cancelled if the testing issues could not be resolved in that period. Slowing down this troubled program would allow more time for development and reduce near-term growth in the defense budget. For example, according to their FY2011 budget estimates, cutting the Air Force’s and Navy’s planned acquisition of JSFs by half through 2015 would save \$16.8 billion.

Reform military personnel policies (\$11.5 billion per year)

Our troops deserve exceptional compensation for their service. Yet these benefits should be structured in a way that is also fair to the American taxpayer. DOD's 2008 Quadrennial Review of Military Compensation found that "the average enlisted member earned approximately \$5,400 more in 2006 than his or her civilian counterpart when comparing cash [base pay] compensation, but \$10,600 more when selected benefits are included in the comparison." The QRMC recommended that military pay raises be calculated to acknowledge the range of generous benefits that service members receive, a step that could save \$5.5 billion a year.

DOD could also obtain some savings by addressing the cost of the military health system, which Gates has noted is "eating the Department of Defense alive." Active duty troops receive free healthcare. Yet premiums for working age military retirees—many of whom go on to second careers—are wildly out of step with the cost of healthcare nationwide. Retirees covered by DOD's Tricare Prime program, for example, are paying the same premiums that were put in place when the program was established in 1995. DOD's 2007 Task Force on the Future of Military Health Care recommended a number of steps that would maintain a generous balance between the cost of care to retirees and taxpayers. Implementing these recommendations could save \$6 billion a year.

Retire and do not replace two existing carrier battle groups and associated air wings (\$3 billion per year)

Conservative estimates place the cost of operating one carrier group at approximately \$1.5 billion per year. Yet even Secretary Gates has questioned whether the United States needs to continue operating 11 aircraft carriers when, "in terms of size and striking power, no other country has even one comparable ship." Rethinking deployment patterns in order to emphasize the capability to surge forces to particular areas in times of need, rather than maintain assets on the spot, could allow the United States to retire and not replace two existing carrier battle groups. This step would save at least \$3 billion a year.

Update the U.S. nuclear arsenal and missile defense systems to counter the threats of the 21st century (\$12.7 billion per year)

According to analysts at the Air War College and the School of Advanced Air and Space Studies, the United States could maintain effective deterrent capabilities with only 311 strategic nuclear weapons—an approximately 84 percent reduction in current levels. Phasing in these cuts, as well as some reductions in the United States’s tactical stockpile, could save about \$11.39 billion this year.

Additionally, cancelling select costly and technologically challenged missile defense programs administered by the Missile Defense Agency and the armed services could reduce spending by another \$1.31 billion this year.

Conclusion

More than five decades ago, President Dwight Eisenhower explained that our security as a nation is directly tied to our economic strength. Ike’s “Great Equation” argued that “spiritual force, multiplied by economic force, multiplied by military force is roughly equal to security... If one of these factors falls to zero ... the resulting product does likewise.”

In real terms, U.S. defense spending is now higher than at any point since World War II, an enormous 10 percent increase over the peak of President Ronald Reagan’s defense buildup. In the spirit of Obama’s State of the Union, it’s time for the DOD, like the other departments, to look at what “we can honestly afford to do without,” and in terms of the national debt, become a part of the solution, not part of the problem.

For more information on the defense spending priorities and savings recommended by the Center for American Progress, go to the [National Security](#) page and the [Federal Budget](#) page of our website.