



Defense in an Age of Austerity

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In the decade since 9/11, defense spending has grown by more than 60 percent in real terms, reaching levels not seen since World War II. This year the total defense budget will top \$675 billion when one takes into account the Defense Department's baseline budget and supplemental funding for the wars in Iraq and Afghanistan. That's about \$200 billion more than we spent on average during the Cold War.

This level of spending is dramatically out of proportion with the threats facing our country. Unnecessary defense spending does not make our nation safer. In these times of fiscal austerity, each dollar spent on defense diverts resources away from other critical investments in the American economy—the real foundation of the United States' global power.

Given the long-term threat the federal deficit poses to American security, power, and interests, it is imperative that Congress and the Obama administration make real progress on getting our nation's fiscal house in order. Sensible reductions in the defense budget must be part of the solution. Implementing the following recommendations would save more than \$600 billion over the next decade without undermining our national security.

1. Personnel. About 150,000 active-duty personnel are stationed in Europe or Asia. Yet the Cold War ended decades ago and many of our allies are cutting their defense budgets to deal with their own deficit problems. Due to improvements in U.S. capabilities for troop transport and long-range strikes, the United States can reduce this commitment by one-third without detracting from our national security interests.

Furthermore, in order to carry out the wars in Iraq and Afghanistan, the Defense Department increased the size of U.S. ground forces by 92,000 personnel. But the United States is due to transition out of Afghanistan by 2014 and withdraw completely from Iraq within the next few months. Considering we are unlikely to attempt forced regime change or nation building under fire in the near future, Defense Secretary Leon Panetta should return our ground forces to pre-9/11 levels as Iraq and Afghanistan wind down.

2. Procurement. Cutting spending on overbudget, ineffective, or unnecessary weapons programs could save the Defense Department \$350 billion through 2015.

First on the chopping block should be the failed V-22 Osprey and underperforming missile defense initiatives such as Ground-Based Midcourse Defense.

Next up should be reducing the procurement of weapons systems that increase the United States' already overwhelming naval and air superiority. The U.S. Navy currently possesses more firepower than the next 20 largest navies combined, many of which are U.S. allies. With such an overwhelming advantage, the Pentagon can afford to slow the procurement of DDG-51 destroyers and littoral combat ships, which cost \$2 billion and \$1 billion, respectively, per ship.

Similarly, while the United States maintains 11 aircraft carriers, no other nation has even one of comparable size and power. Retiring two existing carrier battle groups and associated air wings would save \$50 billion through 2020 without jeopardizing U.S. naval power.

Finally, the F-35 program continues to suffer extreme cost overruns, with lifetime cost estimates for the fleet reaching \$1 trillion. Alternative fighter jets such as the F/A-18E/F Super Hornet continue to be effective, so cutting the F-35's Navy and Marine variants—while allowing the Air Force to keep its entire buy—would help control spiraling costs in the program without compromising American air superiority.

3. Health care. Military health care costs skyrocketed by 300 percent over the past decade and now consume more than 10 percent of the baseline defense budget. A recent [report](#) by the Center for American Progress maps out a plan to reduce military health care expenses by \$15 billion a year by 2015 without compromising the quality of coverage for our troops and military retirees. It limits double coverage, increases cost sharing, and phases in moderate fee increases for retirees based on ability to pay.

4. Nuclear weapons. Our massive nuclear stockpile is a relic of the Cold War, expensive to maintain, and largely useless in combating the threats facing the nation today. According to strategists at the Air War College and the School of Advanced Air and Space Studies, the United States requires only 311 nuclear weapons to maintain a credible deterrent. Such a reduction would save at least \$11 billion a year.

As the United States transitions out of Iraq and Afghanistan, Congress and the Obama administration have an opportunity to join a [historically bipartisan tradition](#) of drawing down defense spending in the aftermath of major conflicts. President Dwight Eisenhower cut the defense budget by 27 percent after the Korean War, President Richard Nixon reduced defense by 29 percent after Vietnam, and the combined efforts of Presidents Ronald Reagan, George H.W. Bush, and Bill Clinton slashed defense spending by 35 percent after the end of the Cold War.

Reducing wasteful defense spending will not undermine our national security. Instead, ending the Pentagon's addiction to unlimited funding will ensure taxpayer dollars are being spent effectively. Over the past decade the Pentagon has been so poorly managed that it is now unable to conduct an audit: It cannot keep track of how its money is spent or on what. This is no way to run the keystone of our national security apparatus.

The stronger our economy, the stronger we are around the globe. Targeted defense cuts present an opportunity to free up resources for initiatives that create American jobs while preparing the country to compete in the 21st century economy.