

SUSTAINABLE DEFENSE: MORE SECURITY, LESS SPENDING



EXECUTIVE SUMMARY

FINAL REPORT OF THE SUSTAINABLE DEFENSE TASK
FORCE OF THE CENTER FOR INTERNATIONAL POLICY

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Co-directors Ben Freeman and William D. Hartung took primary responsibility for editing and drafting the report. Amy Belasco did the bulk of the budget analysis and writing in Part Two, on defense budgets past, present, and future. Project consultant Carl Conetta did the work on savings from force structure cuts and contributed to sections on threat assessment, strategy, economic challenges, and climate change. Neta Crawford wrote the material on the Pentagon, fuel use, and climate change. Miriam Pemberton wrote the sidebar on Pentagon spending and jobs. Lawrence Korb provided analysis of the readiness issue. Matt Fay wrote the section on the war tax. Mandy Smithberger wrote the section on savings from cutting private service contractors. Mandy Smithberger and her colleague Lydia Dennett from the Project On Government Oversight wrote the section on reducing the size of the nuclear weapons complex. Gordon Adams, Ben Friedman, Larry Wilkerson, and Ike Wilson gave feedback on the sections on strategy and the new strategic environment. John King provided suggestions on the overall structure of the piece and the budgetary analysis. Laicie Heeley provided editing input and advice on framing of the arguments in the report. Lindsay Koshgarian provided input on options for spending reductions. CIP President and CEO Salih Booker provided input and guidance throughout the project. Kingston Reif of the Arms Control Association and Jessica Sleight of Global Zero provided extremely useful comments on the sections on savings from a new nuclear strategy. Cassandra Stimpson of the Center for International Policy provided excellent attention to detail in copy-editing the report and we're deeply indebted to Christina Arabia, Director of the Security Assistance Monitor at the Center for International Policy, for formatting the report. Pam Rutter of the Project On Government Oversight graciously provided the cover photo for the report.

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SUSTAINABLE DEFENSE: MORE SECURITY, LESS SPENDING

EXECUTIVE SUMMARY¹

An alternative defense strategy that avoids unnecessary and counterproductive wars, reduces the U.S. global military footprint, takes a more realistic view of the major security challenges facing the United States, and reduces waste and inefficiency could save at least \$1.2 trillion in projected spending over the next decade while providing a greater measure of security.

Contrary to recent assertions by advocates of higher Pentagon spending, America can be made safer for far less money. The United States has made enormous investments in security in the past two decades. At \$716 billion per year, current spending on the Pentagon and related agencies is well above the post-World War II average, and only slightly less than the levels reached in 2010, when the United States still deployed nearly 180,000 troops in Iraq and Afghanistan. Yet, the Pentagon's current plan budgets \$7.6 trillion for national defense over the next ten years.

Any future investment in defense has to be both strategically wise and fiscally sustainable. In many ways, the US has overpaid for security in this century, and in some ways, this spending has been counterproductive. A more realistic, effective defense strategy would not only provide greater security, but also save taxpayer dollars.

This report's recommendations are a sharp contrast to the National Defense Strategy announced by the Pentagon in January 2018 and the companion evaluation of that strategy provided by the National Defense Strategy Commission (NDSC), which has declared that "[t]he security and well-being of the United States are at greater risk than at any time in decades." The commission's report and the National Defense Strategy that it evaluates exaggerate the challenges posed by major powers while ignoring severe threats that cannot be addressed by the Pentagon.

Military strategy is just one part of a larger approach to ensure the safety of the United States and its allies and protect U.S. interests. National strategy involves assessing all of the major challenges facing the United States, providing the resources needed to address them, and setting priorities among competing demands. Many of these challenges – from climate change to economic inequality to epidemics of disease – are not military in nature.

¹ The full report of the Sustainable Defense Task Force can be found at www.internationalpolicy.org

ELEMENTS OF A NEW STRATEGY

An alternative strategy for the United States requires a fresh approach, one that takes into account accelerating changes and challenges in the global environment and makes a balanced assessment of the tools needed to address these challenges.

A new strategy must be much more restrained than the military-led approach adopted throughout this century, replacing a policy of perpetual war with one that uses military force only as a last resort, when vital security interests are at stake. A new approach should rely on diplomacy, economic cooperation, and other non-military instruments as the primary tools for addressing security challenges.

The first element of a new strategy must be a recognition that the U.S. homeland is relatively safe by historical standards, from conventional attack by any major power and from the risk of attacks from terrorist organizations based outside of the United States. While another major international terrorist attack on the United States remains possible, the nation is much better prepared today, while even elementary safeguards were missing 18 years ago. In any event, domestic terrorism is not primarily an international threat and the policy solution does not demand military force expansion, while nuclear threats can be thwarted by a deterrence-only strategy and force posture.

Second, the wars of the last 18 years – including large-scale counterinsurgency efforts, nation building, and global terrorist-chasing, as occurred in Iraq, Afghanistan, and beyond – have done more harm than good, in some cases disastrously so. Abandoning such policies could lead to concomitant reductions in the size and geographic reach of the U.S. military while promoting greater security. Most importantly, it would stop unnecessarily risking the lives of U.S. troops.

Third, an alternative national security policy needs to recognize that Russia does not pose a traditional threat to the United States, nor does China. Neither country has conventional military power that can compete with the United States. Neither country has conventional military power that can compete with the United States, which has the only truly global military force. Given the potentially disastrous consequences of war between nuclear-armed great powers, plans to prevent such a conflict should take precedence over spinning out warfighting scenarios. Ultimately, the competition between the three major powers centers on economic dominance (particularly with China) and diplomatic influence.

Greater reliance on allies tied to a more restrained strategy will allow a reduction in global U.S. troop deployments, especially ground troops, and smaller reductions in the Air Force and Navy. In addition to relying more heavily on allies, the United States should be able to surge its forces in the event of a military crisis in Western Europe or East Asia rather than maintain large and costly forward deployments. In Europe, for example, NATO allies alone cumulatively spend more than triple on their militaries than Russia, and their economies taken together are ten times the size of Russia's. U.S. allies have ample resources to defend themselves with the United States playing a less costly, supporting role.

Given, the above, the notion that the United States needs to be prepared to fight two major regional wars, with active combat in one and deterrence in the second, should be discarded as a guide to military force structure.

Fourth, the strategic approach to regional challenges, like the potential development of nuclear weapons by Iran and North Korea, outlined in current strategy documents needs to be rethought. It devalues diplomacy in favor of preparation for military conflict.

The predominance of military options in U.S. strategy comes even as the Trump administration has violated and discarded the Iran nuclear deal, which was working to curb that nation's nuclear ambitions at minimal cost to the United States and its allies. A new administration should rejoin the deal. Likewise, negotiations with North Korea, however challenging, are a far preferable option to war, which could not be won without catastrophic numbers of casualties in South Korea and the possibility of nuclear strikes against U.S. allies in East Asia.

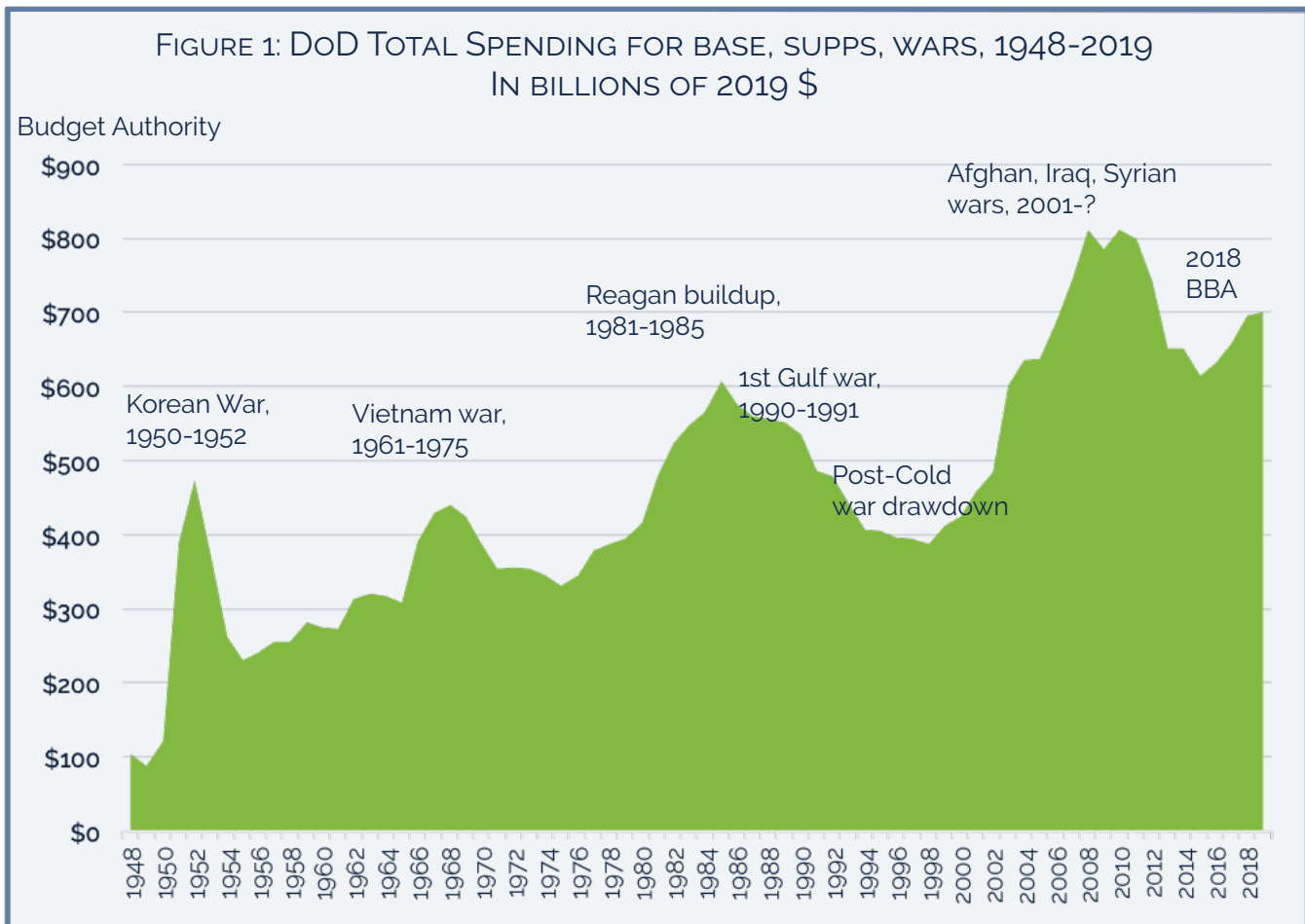
Fifth, overall U.S. nuclear strategy should move towards a posture of sufficiency – a large enough arsenal to deter attacks on the United States and its allies. No additional capability is needed. As indicated in the alternative nuclear posture developed by Global Zero, restraint in nuclear planning would allow for a reduction to 1,100 total warheads from a stockpile that currently stands at roughly 4,000. It would include the elimination of the land-based portion of the nuclear triad – Intercontinental Ballistic Missiles (ICBMs) -- which pose risks of accidental or rash resort to nuclear weapons due to the extremely short time frame in which they would need to be launched in fear of an attack.

Sixth, the most urgent risks to U.S. security are non-military, and the proper national security tools ought to be non-military as well. They include climate change, which undermines frontiers, leads to unpredictable extreme weather, and fosters uncontrollable migration; cyber-attacks and cyber offensive operations, which undermine the credibility of the internet and pose challenges to infrastructure security; global disease epidemics, which pose societal risks to all nations; and income and wealth gaps, which foster insecurity and conflict.

Last but not least, a new strategy should put as much or more emphasis on diplomatic cooperation as it does on preparing for or engaging in military confrontation. Currently, the total budget for national defense – including the Pentagon and nuclear weapons spending at the Department of Energy -- is over a dozen times larger than the budget for the Department of State. This imbalance must change. There are global security interests and goals shared in common by all members of the international community. The United States must partner with other nations in addressing challenges like climate change, epidemics of disease, nuclear proliferation, and human rights and humanitarian crises. None of these challenges are best dealt with by military force. Rather, they will depend on building non-military capacities for diplomacy, economic assistance, and scientific and cultural cooperation which have been allowed to languish in an era in which the military has been treated as the primary tool of U.S. security policy.

DEFENSE BUDGETS PAST, PRESENT, AND FUTURE

The defense budget currently stands well above the Cold War average, and is near historic highs even when controlling for inflation, as shown in Figure 1.

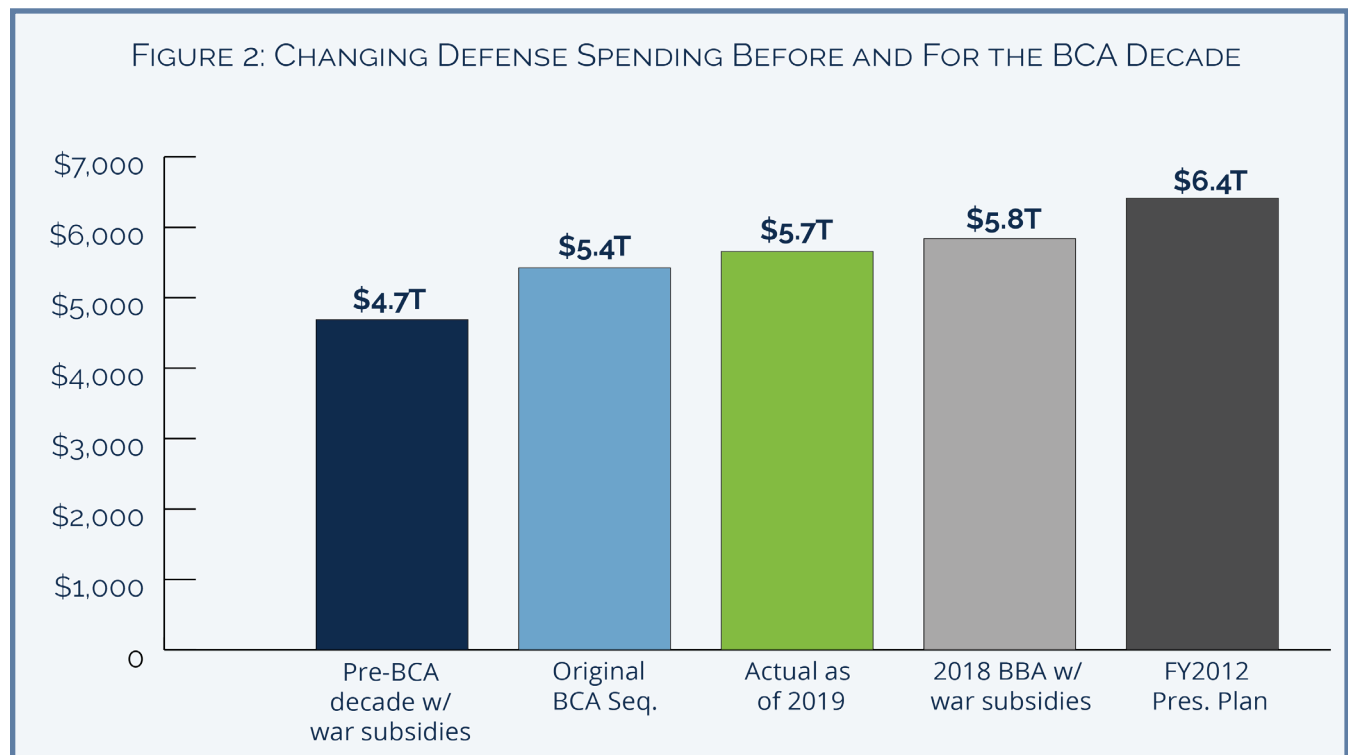


The defense budget debate in recent years has pivoted around the restrictions set by the Budget Control Act (BCA) of 2011, which set spending limits for the fiscal years between 2012 and 2021. From its outset, defense hawks and other policymakers complained that the BCA's new limits would "decimate" defense readiness and modernization and put the United States at the mercy of its adversaries. But there is ample evidence that the BCA caps were neither extreme nor actually adhered to, and could provide guidance towards a much more fiscally sustainable and predictable budgetary path in the future.

Spending reductions attributable to the BCA have been modest. Total Department of Defense (DOD) spending almost doubled from \$425 billion in FY2000 to \$812 billion in FY2010 (in 2019 dollars). The 2010 figure represented the highest level in both war funding and base budget funding since World War II. Proposed funding of \$750 billion for FY2020 is only a modest reduction from this peak spending, and well above the Cold War average of \$529 billion.

War spending has not only allowed the DOD to skirt BCA spending limits but has also subsidized its day-to-day defense spending. For example, despite a reduction in troop deployments for the post-9/11 wars from 180,000 in 2010 to a projected level of 22,000 in FY2020, the administration has proposed a war budget of \$165 billion in 2020, virtually identical to the \$163 billion figure reached in 2010.

Despite the vociferous complaining and ominous warnings from DOD spokesmen and defense hawks in Congress, the BCA decade has turned out to be very well-funded for the Pentagon. The President's plan in 2012, cited by many BCA critics as the desirable level, projected \$6.4 trillion in spending for the BCA decade, FY2012-FY2021. Counting the subsidies to the base budget provided by war spending along with several upward adjustments of the budget caps, DOD is slated to receive \$5.8 trillion over that time span. This level of spending for the base budget with war subsidies is over one trillion higher than the prior decade's level of \$4.7 trillion before enactment of the BCA, when hostilities in both Iraq and Afghanistan were at their peak, as shown in Figure 2.



The figures suggest that critics who have cited threats to readiness and modernization from the caps on Pentagon spending have greatly over-stated their case. If there is a readiness or modernization issue it is not because the DOD hasn't been given ample taxpayer money, it's because the DOD bureaucracy has not been spending that taxpayer money effectively.

OPTIONS FOR REDUCING SPENDING

This report details over \$1.2 trillion in savings from the Pentagon's spending plan for the next decade. Savings come from reductions in the size of the force resulting from a more restrained strategy; a downsized nuclear arsenal tied to a deterrence-only nuclear posture; and efficiencies in Pentagon operations.

On the issue of force structure, a more realistic defense strategy would allow the United States to reduce its armed forces by 10% to an active-duty strength of 1.2 million personnel. This reduction could cull \$600 billion from the administration's ten-year plan, contributing substantially to the \$1.2 trillion in defense budget savings foreseen by the task force. Although smaller than today's military, this armed force would remain the most powerful on earth, well equipped for current and emerging security challenges. The force structure cuts would also entail cancelling the Littoral Combat Ship (LCS) and reducing the size of the proposed F-35 fleet; cutting the number of carriers in the Navy from 11 to 9, thus eliminating the requirement to build new carriers within the next decade.

In the short-term, there are a number of steps Congress can take to begin to rein in over-spending by the Pentagon:

1. Restrict the Overseas Contingency Operations (OCO) account to expenditures that are directly related to current wars, as a step towards eliminating it altogether as those wars wind down. Only \$25 billion of the FY2020 administration's \$165 billion proposal for OCO is for direct war spending.
2. Cut back the Pentagon's work force of private contractors by 15% at a savings of well over \$20 billion per year, including an audit of which functions are necessary and which are redundant.
3. Block plans for the creation of an independent Space Force, saving billions in unnecessary bureaucratic overhead.
4. Forego placing weapons in space, including missile interceptors. Their potentially destabilizing effect could put U.S. military and civilian space assets at risk.
5. Roll back the Pentagon's \$1.2 trillion nuclear modernization plan, starting with the elimination of the new low-yield nuclear warhead and the new nuclear cruise missile (officially called the Long-Range Standoff Weapon).

The table below outlines the full list of savings proposed in the task force report.

LIST OF OPTIONS FOR REDUCING SPENDING

| | 10-Year Savings Est. |
|--|----------------------|
| Force Structure and Weapons Procurement Reductions | |
| Army Reductions and Restructuring | \$160 Billion |
| Marine Corps Reductions and Restructuring | \$60 Billion |
| U.S. Navy Personnel and Weapons Procurement Reductions | \$193 Billion |
| U.S. Air Force Personnel and Aircraft Procurement Reductions | \$100.5 Billion |
| Peacetime Troop Deployments Overseas Reductions | \$17 Billion |
| End Endless Wars/Phase Out OCO | \$320 Billion |
| Overhead and Efficiencies | |
| Reduce O&M Spending on Service Contracts | \$262.5 Billion |
| Replace Some Military Personnel with Civilians | \$16.7 Billion |
| Close Unnecessary Military Bases | \$20 Billion |
| Nuclear Weapons, Missile Defense, and Space | |
| Eliminate the New Nuclear Cruise Missile | \$13.3 Billion |
| Cancel the New ICBM | \$30 Billion |
| Cancel the Space Force | \$10 Billion |
| Cancel Ground-Based Midcourse Defense System | \$20 Billion |
| Cancel New Nuclear Warheads and Rollback Modernization | \$15 Billion |
| Include Nuclear Weapons Complex in a BRAC Round | \$10 Billion |
| Total: \$1,251 Billion | |

SUSTAINABLE DEFENSE TASK FORCE MEMBER BIOS

Amy Belasco is a former specialist for the Defense Budget at the Congressional Research Service.

Gordon Adams is a professor emeritus of international relations at American University's School of International Service and is a distinguished fellow at the Stimson Center. From 1993 to 1997, he was the senior White House budget official for national security.

Carl Conetta is the director of the Project on Defense Alternatives (PDA) and a Senior Fellow at the Center for International Policy. His work has been published in The Washington Post, The Boston Globe, Defense News, and many other media outlets. Mr. Conetta has also made presentations at the Pentagon, US State Department, US House Armed Services Committee, Army War College, National Defense University, UNIDIR, and other governmental and nongovernmental institutions in the United States and abroad. He is a frequent expert commentator on radio and TV.

Neta Crawford is a Professor and Chair of the Department Political Science at Boston University and a Co-Director of the Costs of War Project based at Brown University.

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Benjamin Freeman, Ph.D., is the Director of the Foreign Influence Transparency Initiative at the Center for International Policy, and a Faculty member at the Institute for Defense and Business. His articles have appeared in the New York Times, the Washington Post, the Nation, and in numerous other media outlets. He previously worked at the Project On Government Oversight, where he testified before the Senate Armed Services Committee, and taught in the Political Science Department at Texas A&M University.

Benjamin H. Friedman is Policy Director at Defense Priorities, and an Adjunct Lecturer at George Washington University and the University of Maryland.

William D. Hartung is the director of the Arms and Security Project at the Center for International Policy and a senior adviser to the center's Security Assistance Monitor. He is the author of *Prophets of War: Lockheed Martin and the Making of the Military-Industrial Complex* (Nation Books, 2011) and the co-editor, with Miriam Pemberton, of *Lessons from Iraq: Avoiding the Next War* (Paradigm Press, 2008). articles on security issues have appeared in the New York Times, the Washington Post, the Los Angeles Times, The Nation, and the World Policy Journal. He has been a featured expert on national security issues on CBS 60 Minutes, NBC Nightly News, the PBS Newshour, CNN, and Fox News.

Laicie Heeley is the founder and editor of Inkstick and the host of the PRI and Inkstick-produced podcast, *Things that Go Boom*. She is also a Partner with the Truman National Security Project.

John King is a retired civilian senior budget analyst who handled over \$60 billion in Pentagon money performing financial due diligence on hundreds of R&D, procurement, operation and maintenance, military personnel, construction and housing, and contingency budget (both war budgets and disaster assistance/humanitarian aid) programs over 35 years. A volunteer on the Simpson-Bowles deficit commission defense budget team who wrote some of the \$100 billion a year in cuts to the defense budget, he also teaches Navy staff on the Planning, Programming, Budgeting and Execution (PPBE) process. He recently started King Brown & Company LLC to advise government and companies how to use private finance to leverage public investment. He lives in Stafford, Virginia.

Lawrence J. Korb is a senior fellow at the Center for American Progress. He is also an adjunct professor at Georgetown University. Prior to joining the Center for American Progress, he was a senior fellow and director of national security studies at the Council on Foreign Relations. From July 1998 to October 2002 he was council vice president, director of studies, and holder of the Maurice Greenberg Chair. Prior to joining the council, Dr. Korb served as director of the Center for Public Policy Education and senior fellow in the Foreign Policy Studies Program at the Brookings Institution; dean of the Graduate School of Public and International Affairs at the University of Pittsburgh; vice president of corporate operations at the Raytheon Company; and director of defense studies at the American Enterprise Institute. Dr. Korb served as assistant secretary of defense (manpower, reserve affairs, installations, and logistics) from 1981 through 1985. In that position, he administered about 70 percent of the defense budget.

Lindsay Koshgarian is the Program Director of the National Priorities Project, where she oversees NationalPriorities.org. Lindsay's work on the federal budget includes analysis of the federal budget process and politics, military spending, and specifically how federal budget choices for different spending priorities and taxation interact. A particular area of focus is how a decades-long policy of outsized military budgets has eroded political will to invest in opportunity and human potential through greater federal support of education, health care, infrastructure and more. Prior to joining NPP in 2014, Lindsay was a researcher at the University of Massachusetts Donahue Institute, where she conducted state and regional economic development studies.

Miriam Pemberton is an Associate Fellow at the Institute for Policy Studies, working on military budget and military economy issues. With Lawrence Korb she led the task force that produced the annual "Unified Security Budget for the United States", as well as a series on military vs. climate security. She is at work on a book about the military economy (Routledge, forthcoming).

Mandy Smithberger is the director of the Center for Defense Information at the Project On Government Oversight (POGO). Previously she was a national security policy adviser to U.S. Rep. Jackie Speier (D-Calif.) and served as an analyst at the Defense Intelligence Agency and U.S. Central Command.

Lawrence Wilkerson is the Distinguished Visiting Professor of Government and Public Policy at the nation's oldest public university, The College of William & Mary in Williamsburg, Virginia, where he has taught for the past fifteen years. Previously, while serving in the US Army for 31 years, he also taught at the Naval War College in Newport, Rhode Island and

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Isaiah “Ike” Wilson III is the director of the Strategic Studies Institute at the Army War College. He is a colonel (retired) in the United States Army and an Army strategist. He served as chief, Commander’s Initiatives Group (CIG), at U.S. Central Command from 2013 to 2016, with prior assignments as chief of plans, 101st Airborne Division (Air Assault) in Northern Iraq (2003-2004), as a theater war planner and strategic adviser in Afghanistan, and as professor and director of American politics, policy and strategy with the Department of Social Sciences at West Point. He has served as a visiting professor at George Washington University and a fellow with the New America Foundation.

ABOUT THE CENTER FOR INTERNATIONAL POLICY

The Center for International Policy (CIP) is an independent nonprofit center for research, public education and advocacy on U.S. foreign policy. CIP works to make a peaceful, just and sustainable world the central pursuit of U.S. foreign policy. CIP was founded in 1975 in the wake of the Vietnam War by former diplomats and peace activists who sought to reorient U.S. foreign policy to advance international cooperation as the primary vehicle for solving global challenges and promoting human rights. Today, we bring diverse voices to bear on key foreign policy decisions and make the evidence-based case for why and how the United States must redefine the concept of national security in the 21st century.

ABOUT THE SUSTAINABLE DEFENSE TASK FORCE

CIP convened the Sustainable Defense Task Force (SDTF) in November 2018 to craft a 10-year defense budget and strategy document that could demonstrate a way to rein in runaway Pentagon and nuclear spending and encourage informed debate in Congress, the media, and among citizens' organizations to advance a common-sense approach for protecting the United States and its allies more effectively at a lower budgetary cost.

Given historically high levels of Pentagon spending and the unprecedented level of U.S. debt, this effort is of particular value in the context of debates in the new Congress that took office in January 2019, and as a touchstone for debates over Pentagon spending and military strategy during the run-up to the 2020 presidential election.

In recent years debates over Pentagon spending have focused primarily on wasteful spending, specific weapons systems, or the need for more fiscal discipline. These discussions are important but can be far more illuminating when they are backed up by a solid, evidence-based analysis of how to keep America and its allies safe without overspending on defense. This is the mission of the SDTF.

The original Sustainable Defense Task Force was requested by Rep. Barney Frank in 2010 for use as a tool in debates over how to cut the deficit and was instrumental in ensuring that the Pentagon budget was subjected to caps as part of the 2011 Budget Control Act. Those efforts were a key factor in achieving a cumulative reduction of between \$200 and \$300 billion in spending relative to Pentagon projections over a five-year period.

The new SDTF is a bipartisan group of experts from academia, think tanks, government, and retired members of the military. The co-Directors are William Hartung, Director, Arms & Security Project of CIP and Ben Freeman, Director, Foreign Influence Transparency Initiative at CIP, working in conjunction with CIP Senior Associate Carl Conetta, who served as a consultant to the project.



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