

MILITARY SPENDING IN A RESOURCED-CONSTRAINED ENVIRONMENT

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USAWC STRATEGY RESEARCH PROJECT

MILITARY SPENDING IN A RESOURCED-CONSTRAINED ENVIRONMENT

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ABSTRACT

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The current financial crisis represents the greatest threat to national security. As such, the Department of Defense must be prepared to curtail spending across the board to include altering plans for the acquisition of major weapons systems. According to current strategic documents to include the National Security Strategy, the Quadrennial Defense Review and the National Military Strategy, the rationale for investing in such materiel is predicated on assumptions and assessments that are no longer applicable in today's and tomorrow's multi-nodal environment. The DOD must rebalance its procurement portfolio to address threats across the spectrum of operations more adequately. Instead of focusing spending on the conventional end, more attention should be paid to non-conventional threats in the form of investment in technologies and materiel that more directly confronts such adversaries. Failure to do so jeopardizes the ability to respond to existential threats effectively and exacerbates an already precarious economic situation.

MILITARY SPENDING IN A RESOURCED-CONSTRAINED ENVIRONMENT

The most significant threat to our national security is our debt.¹

ADM Michael Mullen
Chairman of the Joint Chiefs of Staff

The American economy is suffering from the effects of a recession that commands the attention of the media, the public, the national leadership, and indeed most of the free world. The effects of this financial crisis are felt throughout all elements of national power (diplomatic, informational, military, economic), and have a direct impact on the national budget. It is generally agreed that the primary liabilities in this dilemma are health care costs (to include Medicare and Medicaid), social security, and growing interest payments on the national debt – all items of mandatory (non-discretionary) spending. Addressing these issues directly may seem obvious in order to fix the problem but this has proven to be a politically unsalable position to take; that is, decrementing benefits is the metaphoric “third rail” of politics. As the situation grows more acute there may be hope of finding a direct solution, but until that revelation is clear, the expectation is a curtailment of non-discretionary spending to the very limits of tolerance.

With this in mind, the Department of Defense should posture itself to absorb anticipated cuts in the form of reallocating spending from high-priced, technologically advanced weapons systems to resources that more realistically confront the challenges currently foreseen in the international landscape. This unbalanced portfolio of defense spending is not the result of ill-informed planning, a diabolical plot by the defense-industrial complex, nor inept leadership, but reflects a problem in the acquisition process that extends or delays procurement of major defense programs beyond the

scope of the intelligence assessments and planning that initially generated their requirement. This lag time puts the nation in a position of acquiring items to fight threats that were, at one time, foremost in our minds but are not necessarily reflective of current threats. Such a situation clearly results in poor investment of scarce resources and exacerbates an already tenuous economy.

The Economy

A nation's ability to wage war or use its military for the suasion of its adversaries may be the most tangible element of force in national security. However, funding underpins the use of the personnel, equipment, logistics and maintenance of said forces to the degree that military engagement is constrained or facilitated by the economy of the state. This is not a novel notion precipitated by the current global financial crisis, but is highlighted in the annals of military history by leading practitioners of military art. Sun Tzu famously notes, "When wealth is exhausted the peasantry will be afflicted with urgent exactions"² and further cautions, "when...your treasure spent, neighboring rulers will take advantage of your distress to act. And even though you have wise counselors, none will be able to lay good plans for the future."³ President Eisenhower alluded to the same sentiment in his farewell address to the nation in 1961 cautioning against the "...mortgage [of] the material assets of our grandchildren without asking the loss also of their political and spiritual heritage"⁴ advocating instead for "balance between the clearly necessary and the comfortably desirable."⁵ The current Secretary of Defense re-honed the point in a May 2010 speech at the Eisenhower Library imploring the need for a "...balanced military portfolio geared to real world requirements and a defense budget that is fiscally and politically sustainable over time."⁶

The 2011 Department of Defense Budget Request totals \$708.3 billion (reflecting both base budget of \$548.9 billion and Overseas Contingency Operations of \$159.3 billion), which represents 19 percent of the \$3.73 trillion national budget and 55 percent of the \$1.27 trillion discretionary portion of that budget (See Figure 1)⁷. This request reflects a 1.8 percent growth (adjusted for inflation) from the previous year, which is somewhat less than the 8.6 percent average increase of the preceding ten years.

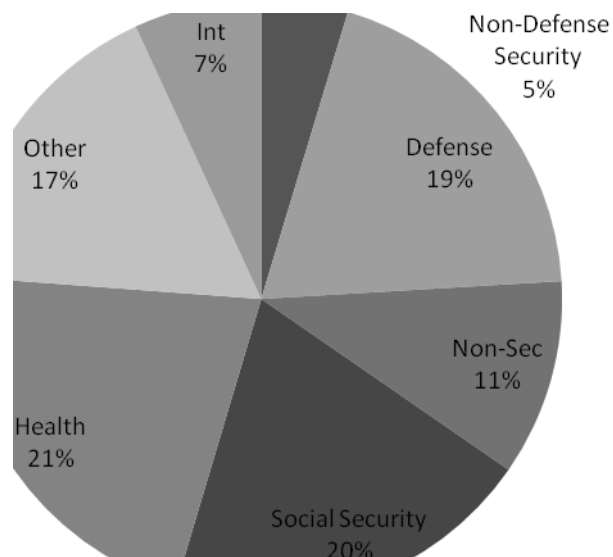


Figure 1. Federal Budget Request, FY 2011

Major components of the DOD budget request are Personnel (25%), Operations and Maintenance (37%), Procurement (21%) and Research, Development, Test and Evaluation (14%)⁸.

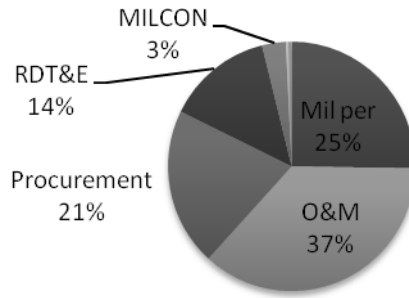


Figure 2. DOD Budget Request, FY 2011

Defenders of the military budget cling to the argument that current DOD spending as a portion of Gross Domestic Product (GDP) is as low as it has been in historic years (see Figure 3); but this does not paint a complete picture as indicated in Figure 4.

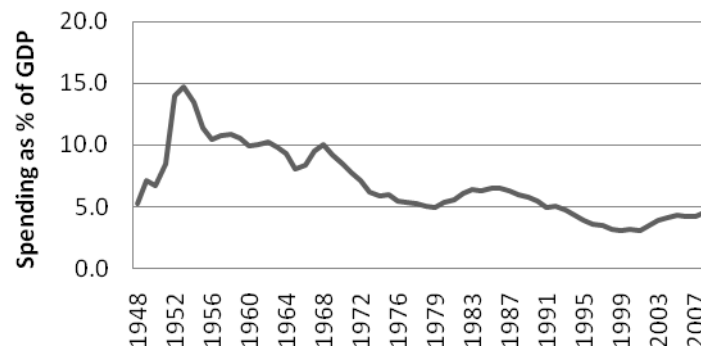


Figure 3⁹. Defense Spending as Percentage of GDP, 1948-2011

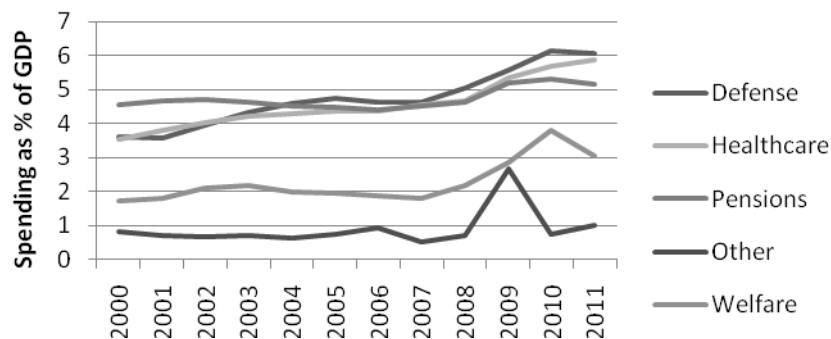


Figure 4. Major Components of Federal Debt, FY2000-FY2011¹⁰

While defense spending is at historic lows, it still accounts for a relatively significant portion of total national debt even when compared to other big-ticket items such as healthcare, pensions, welfare and other general government spending. Regardless of the makeup of the federal debt, additional debt puts near and long term national security in jeopardy. It is this accumulating national debt and attendant interest payments accruing over time that are most troubling to national security and the long-term economic health of the nation.

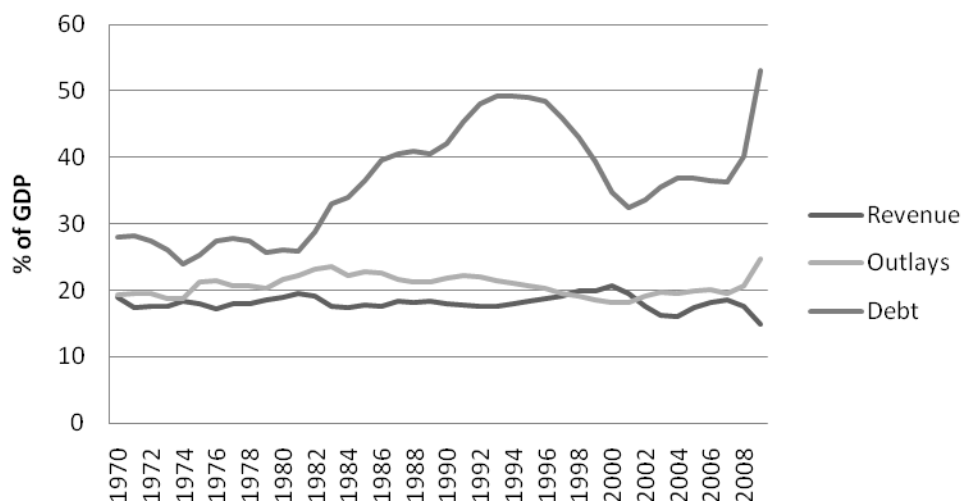


Figure 5¹¹. Revenue, Outlays and Debt, 1970-2008

Given the political reluctance to curtail spending on non-discretionary funds, discretionary budgets must prepare for reductions. In fact, the first salvo in the budget debate is evident in the president proposing FY 2012 spending freezes in the discretionary budget not concerned with security and defense.¹² While an admirable first step in the management of the nation's financial woes, this may well prove to be too little, too late.

In order to appreciate the magnitude of the DOD budget imbalance it is instructive to look at it from the perspective of what it buys. As discussed, a lion's share

of the spending (over 60 percent) is dedicated to the care and feeding of the force (Military Personnel and Operations & Maintenance). It is fair to assume, perhaps to an even greater degree than the rest of the American population, that this spending is sacrosanct; that is, given the arduous taskings and demands above and beyond that of the average citizen, politicians may well consider spending on military benefits even more of a sacred cow than for the general population. The next largest slices of the DOD budget (as reflected in Figure 2, above) are Procurement and Research, Development, Testing and Evaluation. Unsurprisingly, these proportions reflect the major weapons systems acquisition programs. This portion of the budget for FY 2011 is \$214.7 billion which is broken down in to 9 distinct funding categories: Aircraft; Command, Control, Communications, and Computer (C4) Systems; Ground Programs; Missile Defense; Munitions and Missiles; Shipbuilding and Maritime Systems; Space Based Related Systems; Mission Support; Science and Technology (the latter two have no associated major weapons systems).¹³ The composition of the programs within these categories begs the question of balance.

The Department of Defense is a bureaucracy that lives and breathes like an animal. Part of the sustenance of this animal is a steady infusion of capital just to keep the vital organs running, but a large part is used in reclaiming capability that deteriorates over time. Ideally, such capabilities and their acquisition reflect an enemy that exists at the time that such capabilities come to fruition; stated more simply, that purchased materiel is actually needed for the future. Unfortunately, there seems to be a tendency to buy what we desire as opposed to what our strategy calls for, thus perpetuating defense contracts that are no longer viable from the perspective of intelligence-based

assessments. Dissecting the DOD FY2011 Modernization Costs (Figure 6), it is apparent that the focus remains on Aircraft, Ships and Ground Systems as they cumulatively represent 49 percent of the entire budget.¹⁴ Further breakdown of these categories reveals an alarming trend in which major conventional weapons systems dominate the high end of the budget scale while lesser weapons systems typically used in irregular campaigns (see Figure 7) dominate the lower range of spending. This is not unexpected given the focus on the top half of the DOD modernization budget. However, even when we look at the bottom half of that spending, the same trend is apparent (Figure 8).

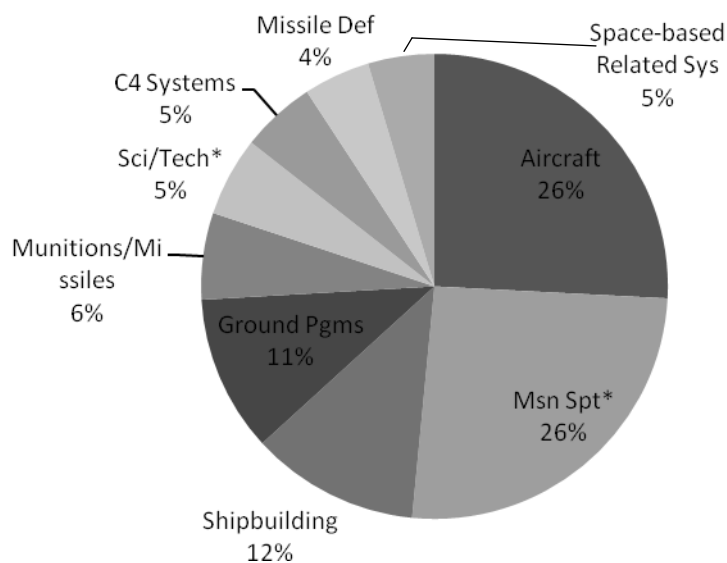


Figure 6. DOD FY2011 Modernization - \$214.7B

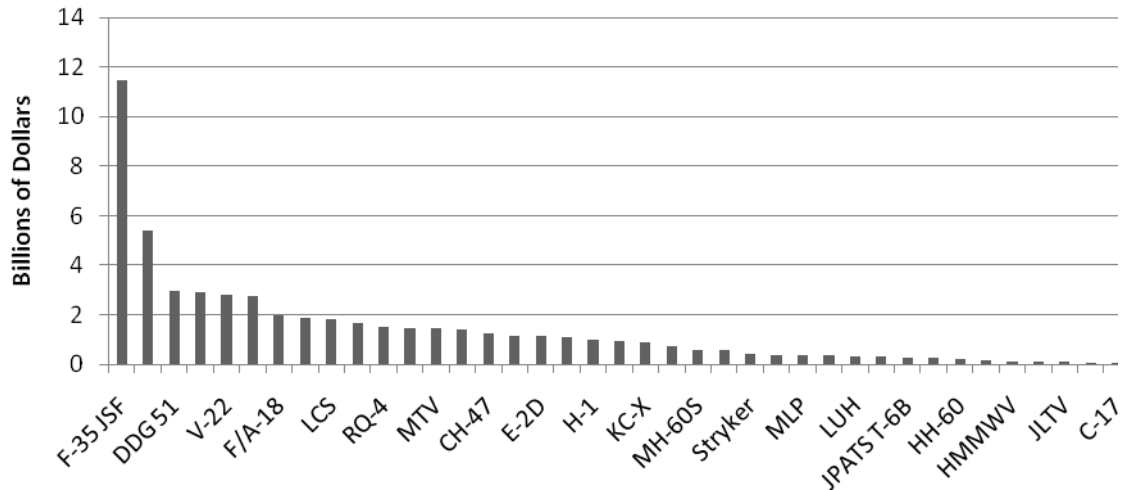


Figure 7¹⁵. Major Weapons System (top 50% of spending) Comparative Costs (FY2011)

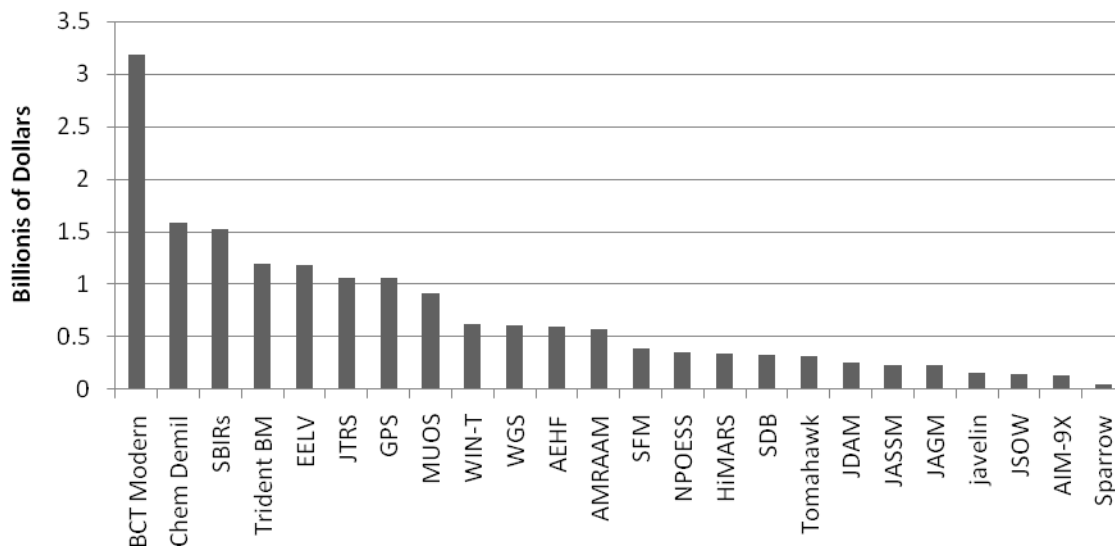


Figure 8¹⁶. Major Weapons System (bottom 50% of spending) Comparative Costs (FY2011)

Accounting for all systems, only about 20 percent of the spending in major weapons systems is dedicated to those capabilities that contribute to non-conventional operations. Consolidating and simplifying figures 7 and 8 above, illustrates an

investment strategy in future capabilities that tilts overwhelmingly toward the conventional at the expense of the non-conventional.

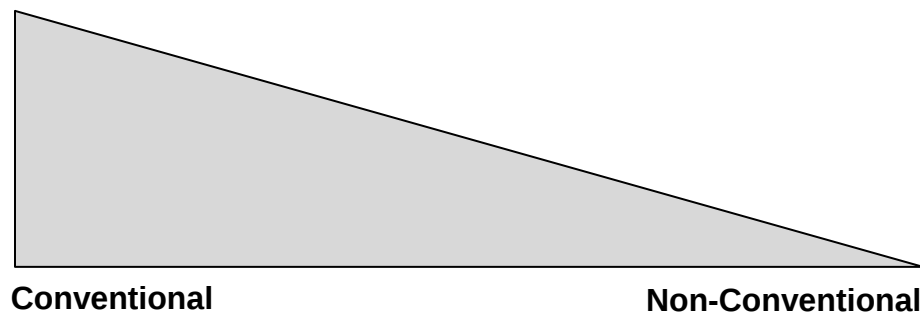


Figure 9. Unbalanced DOD Investment by Capability

The current spending trend reflects a perception of the threat environment that is complicated by an uncertain international environment that has risen since the fall of the Soviet Union in the early 1990s. Many breathed a collective sigh of relief at the apparent victory of the west and envisioned an idyllic world in which military force was no longer required, while others viewed the opportunity to recapitalize the force. Still others were circumspect of the so-called peace dividend and reacted to the prevailing uncertainty with trepidation. These diverging views were adjudicated in the presidentially directed and secretary of defense led Bottom Up Review of 1993.

Post-Cold War Planning

The procurement side of the current defense budget is a reflection of strategic planning conducted following the fall of the Soviet Union and the effective end of the Cold War. In 1993, Secretary of Defense Les Aspin initiated a Bottom Up Review with “...the underlying premise...that we needed to reassess all of our defense concepts, plans, and programs from the ground up.”¹⁷ A central pillar of this review was the notion that the United States must be prepared to fight two major regional conflicts nearly

simultaneously. Specifically, the study concerned itself with the notion of a Middle East conflict in which Iraq or Iran flexed its power, while North Korea did the same in the Pacific theater.¹⁸ Naturally, these assumptions are predicated on conventional force-on-force application of power where the enemy fields the following:

- 400,000 – 750,000 total personnel under arms
- 2,000 – 4,000 tanks
- 3,000 – 5,000 armored fighting vehicles
- 2,000 – 3,000 artillery pieces
- 500 – 1,000 combat aircraft
- 100 – 200 naval vessels, primarily patrol craft armed with surface-to-surface missile, and up to 50 submarines
- 100 – 1,000 Scud-class ballistic missiles, some possibly with nuclear, chemical, or biological warheads¹⁹

In lieu of a specific enemy upon which to base a coherent strategy, planners chose a broad set of missions based on feared risk that necessitated continued procurement of high-end weapons systems that leveraged technology to ensure dominance. The “hedge” this strategy provides against a future adversary that may prove more capable than the aforementioned regional conflict scenario is further rationalization; that is, a re-emergent Russia or China.²⁰ In short, the proposition of an uncertain world with unknown threats drove an assumption that a high-end, technologically superior force prepared to engage in conventional combat, could also manage the spectrum of lesser engagements such as anti-terrorism, narco-trafficking, engagement and peacekeeping operations.²¹

The Bottom Up Review (BUR) drove a defense posture reflected in Figure 10 below.

Army	10 divisions (active) 5+ divisions (reserve)
Navy	11 aircraft carriers (active) 1 aircraft carrier (reserve/training)

	45-55 attack submarines 346 ships
Air Force	13 fighter wings (active) 7 fighter wings (reserve) Up to 184 bombers (B-52H, B-1, B-2)
Marine Corps	3 Marine Expeditionary Forces 174,000 personnel (active end-strength) 42,000 personnel (reserve end-strength)
Strategic Nuclear Forces (by 2003)	18 ballistic missile submarines Up to 94 B-52H bombers 20 B-2 bombers 500 Minuteman III ICBMs (single warhead)

Figure 10²². US Force Structure - 1999

This was a compromise decision based upon four different options that, to varying degrees, weighed investment against risk. This option was seen as “...the best choice to execute our defense strategy and maintain the flexibility needed to deal with the wide range of dangers we may face.”²³ A second pillar driving this thinking was the so-called Revolution in Military Affairs (RMA).

A key component of future spending in the DOD was leveraging up-and-coming technologies in the design and production of wartime materiel. An underlying belief existed (reflected not only the BUR but also in other strategic documents of the era) that America’s technological prowess was so far superior to that of the rest of the world that it could and should be leveraged, even at the expense of personnel: “...we can reduce the overall size of our combat air structure while selectively modernizing it in order to maintain its superiority over any potential aggressor.”²⁴ The May 1997 Report of the Quadrennial Defense Review characterized the RMA as a fundamental change in the way we fight and further drove defense spending not toward a defined enemy, but to a more nebulous “balance between the present and the future” resulting in further

curtailment of the force for the benefit of stabilization in the investment program.²⁵ To be certain, fiscal responsibility and constraint were prominent throughout this era of defense planning, but the tendency to focus on bolstering the need for spending on major weapons systems while mortgaging the force structure with the belief that superior technology could effectively bridge the gap call the efficacy of such cuts into question.

Perhaps most troubling about this past era of defense planning in which strategy was effectively bought vice looking at the environment and selectively choosing how best to deal with it from a whole of government perspective, is the fact that the decisions made continue to echo in the halls of the Pentagon today. The relatively recent Capstone Concept for Joint Operations proposes a similar scenario used in the mid-nineties for future defense planning. One in which “tomorrow’s joint force must be prepared to deal with all these challenges, anywhere in the world, potentially on short notice and for indeterminate duration.”²⁶ This simply is not a viable construct for planning in a resource-constrained environment. Military leaders must be prepared to make tradeoffs and decide where to invest the precious few resources at their disposal in order to confront the issues deemed most dangerous to security; that is, they must assume risk.

The BUR was a necessary step in the evolution of the US military following the Cold War, and it is difficult to criticize too harshly the assumptions leading to the decisions made. However, the lingering effects of these decisions seem to be degrading national security, not from the standpoint of the materiel gained, but from the resources expended on that materiel that the threat no longer supports. The real

shame in this evolution is the toll taken on personnel infrastructure in the name of defense. If the national strategy is to be prepared for all things at all times indefinitely, then it is the person in uniform that is going to make that happen, not the airplane, ship, or ground combat vehicle that he or she is riding in. To be sure, there are aging elements of our structure that need replacement, but a critical planning and financial decision lies in determining how such materiel recapitalized and in what quantities. The current dilemma is rationalizing the past assumptions that underpin current acquisition planning with forecasting that paints a different picture of the likely threat environment.

The Current Threat Environment

The February 2010 Quadrennial Defense Review (QDR) gives the most recent direction on defense spending with regard to national security priorities, although it is certainly underpinned by the National Security Strategy, of the same year, and even, to some degree, by the June 2008 National Defense Strategy. Of the four broad areas discussed in the QDR, the section titled “Rebalancing the Force” is of greatest applicability to materiel expenditures in the national budget. This section is further subdivided into eight general topics that provide a vision for DOD requirements: Defend the United States and Support Civil Authorities at Home; Succeed in Counterinsurgency, Stability, and Counterterrorism Operations; Build the Security Capacity of Partner States; Deter and Defeat Aggression in Anti-Access Environments; Prevent Proliferation and Counter Weapons of Mass Destruction; Operate Effectively in Cyberspace; Guiding the Evolution of the Force; and Sizing and Shaping the Force.²⁷ It is interesting to note that of these categories four of them focus on non-conventional tasks, two on personnel, one on supporting civil authorities, leaving only one clearly

focused on conventional threats. It is unsurprising that deconstruction of these categories into their specific elements – of which, there are thirty-one – shows that merely five point to the need for improvements or enhancements to our conventional capabilities. This sentiment is not unique to the QDR.

The National Defense Strategy of June 2008 foreshadows guidance in the 2010 QDR. This strategy articulates concern with a “variety of irregular challenges” to include “rogue states,” and “violent extremist movements” pointing to “the need to strengthen alliances and build new partnerships” as keystones to our defense.²⁸ It goes on to specifically call out the need for development of intelligence capabilities, tracking of components of weapons of mass destruction, and leveraging relationships with partner nations to mitigate threats to national security.²⁹ To be sure, the strategy also recognizes the threats posed, not only by China, but also by Russia in their continued expansion of military capabilities and increased reliance on nuclear weapons, respectively. However, the document also dismisses these conventional threats claiming, “For the foreseeable future, winning the Long War against violent extremist movements will be the central objective of the U.S.”³⁰ So given this rather broad description of what confronts the United States in the future, what are the appropriate tools to have ready for our forces?

The 2010 QDR points the budget in a specific direction with regard to where wise spending should take place. With respect to major weapons systems, it singles out rotary-wing assets and un-manned aerial systems to support intelligence, surveillance, and reconnaissance (ISR) operations, as well as improvements to strategic communications capabilities, and strengthened capabilities in cyberspace.³¹ Aside from

these materiel answers, the QDR places high value on improving the capability of our forces across a wide spectrum of competencies. These range from increasing the number of Special Operations Forces and preparing our General Purpose Forces capability to conduct counter-insurgency and stability operations to enhancing the linguistic, regional and cultural capabilities of the entire force; improvements which demand a significant investment. Accepting this as a baseline for tomorrow's requirements, this should certainly be reflected in the FY 2011 DOD budget request. However, the FY 2011 DOD Budget Request reflects many high-dollar items intended to replace or enhance our conventional fighting capabilities at the expense of diminishing the importance of the changing nature of the likely conflicts likely, which contradicts current strategic guidance.

Risk

At the most fundamental level, how we spend our precious few resources on preserving national security is a discussion of risk. What is most threatening to us from an existential perspective as well as from a theoretical, or forecast, perspective? This is largely a matter of opinion informed, unfortunately, by political leanings of those opining, but there are some areas of consensus. The economy is undeniably a threat given its uncertain path forward. That is not to say that the United States is doomed, but that left unchecked the accumulating budget deficits and attendant national debt will prevent the United States from holding any appreciable power from both a diplomatic as well as a military perspective. We largely perceive violent extremist networks as a threat, but this is difficult to quantify with any certainty. It is probably more accurate to say that we fear violent extremist networks' perceived threat to us and that the consequences of an

attack are enough to warrant categorizing them as a threat. This is a similar argument for the impending conventional threats to national security such as China and Russia. Rightfully, we consider them competitors, and see them much as we see ourselves with respect to the desire for hegemony, but do they really pose an existential threat, or does our fear of the consequences compel us to believe that they are threats?

Risk, as defined in the DOD dictionary, is “Probability and severity of loss linked to hazards.”³² The entirety of the Joint Publication catalog is replete with examples of risk, risk assessment, and risk mitigation usually as applicable at the tactical and operational levels. There seems to be tacit acknowledgement at these lower levels of war that the battlefield commander cannot expect to have all the resources desired such that all risks are successfully mitigated. In fact, Joint Publication 3-0 explicitly references the subject in terms of avoiding a “zero-defects mindset.”³³ However, there seems to be dissonance at the strategic level, as reflected in planned future spending, where the plan is to perpetuate a disparate proportion of spending on the conventional in spite of assessed non-conventional threats. The presumed logic is that by preparing for operations at the conventional, major combat operations (MCO) level, the same force can scale back efforts to confront threats at the non-conventional level thus mitigating risks across the spectrum of conflict. However, the requirements for operations at either end of the spectrum of conflict vary significantly therefore necessitating tradeoffs.³⁴

This perception of the severity of a threat driving the probability and thus the preparation for it is not unique to the world of defense spending. In his book *Against the Gods: the Remarkable Story of Risk*, Peter Bernstein notes the incongruent emotions

provoked by losses versus gains, such that those perceived losses (risks) “provoke intense, irrational, and abiding risk aversion.”³⁵ The implication in terms of defense spending is that the strategic threat provokes such strong emotions that overly conservative decisions are made with respect to investment. This is a slippery slope to get on, for once committed to a spending strategy based on a perceived threat there is a tendency to buttress the strategy despite actual validation of it with facts.³⁶ The Capstone Concept for Joint Operations provides an indication that this type of rationale may be prevalent. While it acknowledges the need for a conventional capability, it characterizes the probability of major theater war as low compared to the near certainty of non-conventional military involvement throughout the world.³⁷

Recommendations

The economy represents the most important element of risk to national security in the United States and all elements of the government must be prepared to do their share to relieve some of the stress. We must address the fundamental troubles of the national budget; spending in balance with income, reducing non-discretionary burdens, and increasing revenue. All departments within the federal government must be prepared to do their share to ensure the spending they do is an absolute necessity. The Department of Defense is chief among those departments as it accounts for the majority of discretionary spending and has – recent history would suggest - based its expenditures not so much on current needs for defense of the nation, but what was needed ten to fifteen years in the past. This does not imply a need to revamp defense spending wholesale at the expense of losing capabilities that are needed, but points to the requirement to buy more wisely, transform the process by which defense articles are

bought and set mission priorities based on risks that are informed by the fiscal realities of the economy as opposed to buying down risk solely through materiel solutions.

Dual-use materiel solutions that are as capable on the conventional as the non-conventional ends of the spectrum are an ideal solution to the problem of preparing for the future while maintaining capabilities. Unfortunately, there is a price to pay in capability at one or both ends of the spectrum. Nevertheless, this may be acceptable in light of financial incentives. A service-specific example of such a capability is the US Air Force's Light Attack/Armed Reconnaissance (LAAR) aircraft. The LAAR program was born out of experience from the Afghan and Iraq conflicts and refined based upon the focus on building the capacity of foreign nations' militaries that features so prominently in recent strategic documents. The premise is that countries in which the United States has a strategic interest need a platform that can provide conventional attack and limited reconnaissance capabilities, but are restricted economically from purchasing and maintaining conventional weapons systems currently in the US Air Force inventory.³⁸ An ancillary benefit is that these same platforms can fulfill a portion of the mission currently serviced by higher-cost platforms currently in US service such as the A-10 and F-15. Air Combat Command's Capability Request for Information to industry laid out some of the requirements for such an aircraft in terms of defensive measures, armored/night vision-compatible cockpits, and weapons capacity that includes the ability to carry at least two 500-pound munitions, employ aerial gunnery, rail-launched munitions, 2.75-inch rockets as well as laser designator.³⁹ This capability comes in a package that is substantially more affordable than current offensive weapons systems both in terms of procurement and, more substantially, in terms of operations. At an

estimated cost per flying hour of \$1,575 compared to an A-10's cost of around \$5,000 per hour and an F-15Es cost of \$16,000 per hour, ownership costs are diminutive.⁴⁰ While an unsatisfactory *replacement* for an A-10 or F-15, the LAAR certainly fills a niche that allows fewer high-cost platforms thus relieving a financial burden from an already extended DOD budget. However, the reform does not simply stop at finding efficiencies in dual-use weapons systems. In order to right the listing ship there must be a concerted effort to alter the processes of defense article acquisition.

A Government Accountability Office study of select weapons systems found the average delay in delivering initial capabilities was 22 months.⁴¹ This reflects a range of weapons systems, not just the big-ticket items that tend to have substantially longer delays. Acknowledgement of the flaws of the acquisition process is seen throughout the Department of Defense and features prominently from the service level to the Office of the Secretary of Defense. One of five priorities for Air Force Chief of Staff, General Norton Schwartz, is recapturing acquisition excellence; while Under Secretary of Defense for Acquisition, Technology and Logistics, Ashton Carter, has articulated through a series of directive type memoranda (DTM) a plan for revamping the acquisitions process and career fields. To punctuate the seriousness of the matter Congress passed the Weapons Systems Acquisition Reform Act in 2009 and work is under way to pass another measure designed to articulate the expectations for finding value in government purchases. All of this in reaction, at least in part, to President Obama's remarks at the signing of the Weapons Systems Acquisition Reform Act in which he criticized cost overruns, oversight and accountability as well as the apparent dearth of competition in acquisition programs.⁴²

The first of Mr. Carter's DTMs lays the foundation for change in the acquisition community in terms of internal processes and acknowledges the long-term nature of a solution of this caliber.⁴³ The follow-on memorandum articulates a comprehensive plan that lays out 23 specific actions categorized in five topics: Target Affordability and Control Cost Growth, Incentivize Productivity and Innovation in Industry, Promote Real Competition, Improve Tradecraft in Services Acquisition, and Reduce non-Productive Processes and Bureaucracy.⁴⁴ Undeniably, all of these are motions in the right direction of reform and may, over the course of time, prove their value to the overall environment in which the acquisition process operates, but it is difficult to see how they contribute to reducing the delays and scarcely address the more immediate danger posed by acquisition decisions that have already been made. These types of impacts will come only through decisive leadership that sees through service parochialism and prioritizes the needs of the nation above the desires of individual services

Conclusion

Guns versus butter is a familiar refrain whenever the topic of defense spending surfaces. Hawks argue with teutonic vigor the ability to live without butter but not arms while doves point to the obvious disparity in spending for defense articles compared with almost any other category of the federal budget. The uncomfortable reality is that both sides are right and that this is not a black or white choice. This is an environment in where hard decisions about defense materiel and personnel must be weighed against risks as currently perceived. No less than four separate bodies have recently concluded studies on mitigating the impact of the DOD budget to the long-term economic health of the country. Despite minor variations, they all conclude with the requirement to curtail

spending in relatively major ways that will certainly draw the ire of many in the defense industry as well as certain elements of the public.

In February 2010, President Obama signed an executive order creating a bipartisan commission to study fiscal responsibility and reform. As the officially sanctioned body for making recommendations to put the United States' fiscal house in order, the commission may be the most authoritative. However, other groups from the Brookings Institute, the Bipartisan Policy Center, and the Stimson Center echo the conclusions. The consensus appraisal falls in to the broad categories of setting realistic priorities for the DOD and executing those priorities with a fiscal discipline that is uncommon in recent history. While all studies hit upon potential savings across the spectrum of DOD spending – to include personnel, healthcare, and internal efficiencies – they also point to some alarmingly similar cuts in materiel. Three major weapons programs consistently draw attention in each study as representing overinvestment or underperformance: the V-22 Osprey, the F-35 Joint Strike Fighter, and the Expeditionary Fighting Vehicle.⁴⁵ The rationale for curtailing these programs is similarly remarkable: while we must maintain a conventional edge, there must be some effort exerted in exploiting investments that obviate the need for high-cost materiel.⁴⁶ Michael O'Hanlon of the Brookings Institute who notes the mission redundancy of tactical aircraft developments points out an example of this overspending. Simultaneous development and acquisition of the F/A-18E SuperHornet, the F-35 Joint Strike Fighter, the F-22 Raptor, and continued modernization of air-launched weapons that are more capable, accurate and lethal points to an over-estimation of conventional enemy threats.⁴⁷ This is especially true in light of the increased reliance on un-manned aerial vehicles

performing missions that were solely in the realm of tactical fighters fifteen years ago.⁴⁸

The likelihood is that future security threats will be asymmetric ones, not easily targeted by conventional platforms and decisions for funding should reflect this in the form of prioritization to counter-terror and cyber-security operations.⁴⁹

The United States faces peril from multiple directions, none of which can we afford to ignore. Primary among these threats is the strength of the economy as it underpins all else that is accomplished either domestically, internationally, militarily or diplomatically. Failure to address this most important aspect of national power has the potential to undermine all that the country holds dear; but the answer cannot be relegated to a single department or federal entity. We must look at this issue in light of a spirit of shared sacrifice in where all elements of the government take hard looks at their budgets and commit to making changes for the future despite the legacy of the past.⁵⁰ To be certain, this is a problem that has accumulated over the course of the past decades in which assumptions have changed and new realities have come to the forefront. The post-Cold War years that led to the BUR took what the thinking of the era and transposed it to a future that turned out to be not so similar to the realities of today. As a result, the country finds itself in a position of defending decisions that are no longer plausible given today's analysis of the future. It would be foolish to abandon everything in our conventional arsenals and change course altogether, but it is equally foolish to ignore the existential threats of today and tomorrow in the grim hope of combating them with yesterday's tools.

Any degree of change from the status quo tends to be looked upon as radical from a bureaucratic perspective. The seriousness of the issues to confront requires

stalwart leadership that is unencumbered with personal baggage and motivated by a sense of patriotism that surpasses service rivalries.

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