

Saving The American Empire: The Necessity For Further Cuts In The US

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## EXECUTIVE SUMMARY

**Title:** SAVING THE AMERICAN EMPIRE: The Necessity for Further Cuts in the US Defense Budget

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**Thesis:** The American Empire is overextended with too large and expensive a military, and too interventionist a foreign policy, for its deficit weakened economic base. Reductions in the defense budget and adjustments in the budget's focus are the only ways to reduce the deficit, meet the current threat and save the overextended American Empire from collapse.

**Discussion:** Since the end of the Cold War, the greatest threat facing the US is the burden placed on the economy by the deficit. The current deficit is \$180 billion and is expected to grow to \$1.5 trillion by 2020. The deficit further exacerbates the greater public debt, which will grow from 55% of Gross Domestic Product (GDP) to an estimated 65% of GDP by 2004. This weakens the security of the nation by threatening economic collapse and by limiting improvements to the national infrastructure. The deficit is fueled to a large degree by the \$262 billion defense budget - a figure almost as large as the next nine national defense budgets combined. This large defense budget represents 50% of all discretionary spending, which makes it the primary area to look to for deficit reduction. Reviewing the current threat, it is apparent that there is room for reductions in the budget, primarily by changing to a one Major Regional Contingency strategy. Those reductions can be engineered by a change in foreign policy that focuses on vital interests, and therefore calls for smaller standing forces. Recommended force structure under this proposal results in a force of: eight active and six reserve Army divisions, 10 active Air Force wings, eight Navy Carrier Groups, and one and two-thirds active and one reserve Marine Expeditionary Forces. There are several recommendations for savings in procurement: Stop further B-2 procurement, cancel the F-22, replace the MV-22 with the CH-53, replace C-17 procurement with civilian airlifters, cancel the third Seawolf, stop conversion of the nuclear CA submarine missile to the D-5, and reduce DDG-51 procurement. Further savings are available by reducing nuclear weapons research and by limiting DOD environmental cleanup. Total savings over 5 years for the proposal are a conservative \$100-115 billion. These savings should be rededicated to: strategic defense, intelligence collection, research and development, energy research, and foreign assistance. This will still leave \$42 billion over the five year period to be applied to deficit reduction.

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**Conclusions:** The greatest threat to the US is the budget deficit. There are no significant military threats to the nation. The \$262 billion defense budget can better serve the security needs of the nation by being reduced, refocused and applied to the deficit.

## **SAVING THE AMERICAN EMPIRE**

### The Necessity for Further Cuts in the US Defense Budget

The sun never sets on the *old British Empire*. The problem for the British (and for the Soviets, Napoleon, the Habsburgs, the Romans and a host of other former empires) is that their Empire no longer exists. Paul Kennedy established the philosophy of overextension to explain how empires are lost.<sup>1</sup> I will examine the theory of overextension as it is influenced by the budget deficit. I will then review the potential threats facing the United States, survey the defense budget, and evaluate our strategy for dealing with those threats. My purpose will be to make recommendations for cutting the defense budget and applying the savings to the deficit in order to prevent overextension and destruction of the American Empire.

The greatest threat to the American Empire today is its potential for collapse due to a deficit-hindered national economy. History is replete with examples of empires that have fallen as a result of their weakening economic base and overextended military power. One such example is the fall of the Habsburg Empire, ". . .despite the great resources possessed by the Habsburg monarchs, they steadily overextended themselves in the course of repeated conflicts, and became militarily top heavy for their weakening economic base."<sup>2</sup> This speaks to the historical relationship between economics, military power and the power of an empire. American security strategy and defense spending should take account of this historical precedent. Though not bound by history, the parallels and insights that history can offer should be viewed with great interest.

While other nations are powerful in a single field--Japan economically, Britain diplomatically, the Vatican morally--only the United States currently enjoys dominance in all of these areas. The fungability of military power, that is its translation to power in other fields such as diplomacy, economics and morality, has aided the growth of total US power. The advantage of fungability also has the inherent risk of empire destruction through an over reliance on military power at the expense of the economic base. This is a major concern for US national security strategy and the resulting financial blueprint for the Department of Defense as it supports the strategy.

While the military leg of American power is strong, the economic leg that supports the

nation and funds the military is weak. This is where the risk of empire destruction through overextension exists.

The problem centers around a significant deficit. Projections for the deficit, that is the difference between current year revenues and current year expenditures, is expected to be \$180 billion in 1996, \$213 billion in 1999 (fully 2.5% of the Gross Domestic Product), growing to \$397 billion (3.6% of GDP) by 2004, and a staggering \$1.5 trillion per year in 2020.<sup>3</sup> The problem can only be expected to get worse, *independent of growth in expenditures*, as "Baby Boomers" approach retirement (and increased entitlement) ages, while the young working population declines.

Yet the deficit itself is only the tip of the problem. Current year mandatory spending, and therefore deficits, is being fueled by the public debt (the accumulation of all past deficits--borrowing). As the deficit grows in the short term, because more is spent than taken in, the public debt grows in the long term, as the nation borrows to make up the deficit shortfall. Analogous to continued use of a credit card while only making the required minimum monthly payment, the requirement for the card continues to increase as the proportion of income required to make the minimum payment climbs. All the while the debt (in this case the public debt) is never serviced and continues to grow. This results in a greater percentage of available revenue (or deficit) going to service the debt. The current public debt is equivalent to 55% of the GDP and is projected to continue its upward spiral to 65% of GDP by 2004.<sup>4</sup>

Just as it is important for individuals to break their dependence on credit cards in order to achieve financial health, it is important for the government to break its deficit habit. Every dollar that goes toward debt service increases the deficit and prohibits investment in those areas of the economy that make the nation economically powerful; investment in education, communications, and transportation.<sup>5</sup> As Robert Reischauer has pointed out:

Reducing the deficit is critical because it can significantly effect the ability of the economy to sustain real growth and remain healthy in the long run... because it will increase national savings that would lower interest rates, stimulate new investment, increase productive capacity, enlarge the share of productive investment that would remain with US investors, reduce foreign investment in the US, and raise the standard of living.<sup>6</sup>

It makes sense that in order for the American Empire to remain strong, its economic leg must be strengthened by eliminating the practice of running high budget deficits. According to the theory of overextension, without a strong economic base the military power of a nation will eventually become useless and the empire will fall. There are few options to reduce the deficit. Either taxes must be increased to cover the shortfall--politically dangerous and economically depressing--or spending must be cut--the more likely option. The problem with spending cuts is that they are limited to certain areas of the budget. Fully 60% of the budget falls into mandatory spending categories, primarily entitlements such as Social Security, Medicare and Medicaid, and public debt service. These areas are required by law to be maintained. Of the remaining discretionary funds, that is those areas of the budget that can be cut, the Defense budget comprises 50%.<sup>7</sup>

The deficit must be reduced to assure the economic and therefore political security of the American Empire. If the deficit is to be cut by reducing spending, then the only significant area available is Defense. At the same time that the nation's economic leg is strengthened by reducing defense spending, vital interests of the nation must be protected and the nation's security must be maintained.

In deciding how much military is enough, the US first has to ascertain the threat posed to the nation. As a baseline, it is useful to look at US defense spending in relation to the top ten military spenders in 1994. In that year, the US

was the highest military spender at \$285 billion. At First glance, it is apparent that the Us far outspends all other nations. Indeed, when the second through the ninth place spenders are added together, their total expenditure is only \$8.6 billion greater than the defense budget of

<b>TOP TEN MILITARY SPENDERS.</b>	
<b>1994</b>	
-US\$285	-Germany\$27
-Russia\$79	-China\$27
-Japan\$42	-Italy\$20.6
-France\$36	-Saudi Arabia\$14
-Great Britain\$34	-South Korea\$14
(billions of US dollars) <sup>8</sup>	

the US. Another significant factor is that most of the big spenders are allies, or at least on friendly terms with the US (Japan, France, Great Britain, Germany, Italy, Saudi Arabia and South Korea).

If dollars spent on defense are at the very least a qualifier for a nation's potential to threaten the US, then the obvious place to start in analyzing the threat is the remaining two spenders in the "Top Ten Club" who are not listed as allies or friends of the US. Those nations are Russia and China.

The Russian nation has nowhere near the potential to threaten the US as the Soviet Union once enjoyed. Apart from its significantly lower rate of defense spending, Russia is handicapped by a struggling economy, dependent upon the West for stipends. Without its former Warsaw Pact allies, racked by internal political turmoil, and handicapped by a smaller manpower pool than enjoyed by the US, Russia does not currently pose a conventional threat to the US.<sup>9</sup>

Neither does China appear to present a threat to the security of the US. Even with the advantage of abundant manpower, the meager spending by the Chinese of \$27 billion on defense means that their potential is limited. That meager funding has meant that there are few modern weapons in the hands of the military.<sup>10</sup> Indeed, the sheer size of the Chinese military makes the task of modernizing the force daunting. The Chinese still are not a power projection force that can threaten the US. It will be at least one to two decades before China can present a robust - global-threat to the US."

The other factor that must be viewed in any discussion of a Chinese threat is the regional balance of power in Asia. Having fought border skirmishes with its powerful neighbors India and Russia, the Chinese leadership could easily find itself hemmed in on all sides if it attempts to establish regional or global hegemony. Indeed, there has been a corresponding growth in military power amongst the Asian nations as the strength of the Chinese military has grown.<sup>12</sup>

While the members of the "Top Ten Club" do not appear to be a threat to the security of the US, there are other lesser, regional or middle powers that are openly opposed to the US. These threats should be examined to see if US defense funding should remain high in order to meet the threat.

Iran, the nation that most Americans love to hate, is clearly a nation with attitudes and

policies hostile to the US. Antagonistic and certainly a rogue state, Iran is nevertheless conventionally impotent vis-a-vis the US. In defense spending alone, Iran's annual budget of a meager \$3.2 billion is dwarfed by the US defense budget?<sup>13</sup>

Even considering Iran's location in the zone of our vital interests of Gulf Oil, it still presents a minor threat at best. Geographically removed from our allies of Kuwait and Saudi Arabia, inferior to the rest of the Gulf States in air power and fielding a mixed bag of approximately 700 Main Battle Tanks, Iran is a nuisance (in conventional warfare), but not much more.<sup>14</sup> As demonstrated in the Gulf War, the nations of the Gulf will resist attempts at hegemony, even by a fellow Arab state.

Still looking at the Gulf and an area of vital interest to the US, focus is turned to our recent battlefield enemy, Iraq. Decisively defeated during the Gulf War, Iraq remains militarily weak. During the war its tank fleet was reduced from 5,500 to 2,300. It would take a herculean effort to rebuild to a modest level of 3,500 tanks given the current arms embargo. This is to say nothing of a lack of the ability to project power. This factor should hinder the Iraqi Army well into the next decade.<sup>15</sup> With a demonstrated willingness by the US and its allies to protect the regional balance of power, further conventional aggression in the short term is remote.

North Korea is another nation with demonstrated hostility towards the US. Once again though, this is a nation with insufficient power to challenge the US directly. Isolated and alone, North Korea could not expect the help that it has previously relied on to threaten aggression. Neither China nor Russia can be expected to help in the event of war on the Korean peninsula.<sup>16</sup>

Without outside assistance, the ability of the North Korean Army to engage the forces of South Korea and the US is limited. North Korean technology is primarily of the I 960s; additionally, the force is plagued by fuel shortages for training, is vulnerable to air attack, and is falling closer to parity with the South. This former threatening Chinese/Russian satellite no longer has the strength to be a serious threat to the US.

While there is no nation that has the capability to successfully challenge the military power of the US (requiring not only brute strength, but also the ability to *project* that strength to an area of vital interest to the US), the foundation of defense planning has continued to guard against multiple threats. Specifically, there is a fear that while engaged in one Major Regional Conflict, another major regional power might use that as an opportunity to strike the US. Current

planning, theories and wargaming scenarios fixate on such an event with the nations of Iraq and North Korea challenging the US.

Such planning does not seem necessary. It is important to remember that both of these nations have felt the blunt end of "Big Stick" American policy. There is a demonstrated willingness to engage both of these nations, and I believe that this will aid in restraining one or the other from future aggression directed against the US or its allies.

Historically, there is no precedent for any nation engaging the US while it is involved in a major regional conflict. Even when the US was stretched to the limit during the Korean and Vietnamese Conflicts, the powerful Soviet Union did not take advantage of the situation to attack the US. If the awesome power of the aggressive Soviet Union was never unleashed while the US was committed to MRCs in Vietnam and Korea, why do we expect the somewhat less awesome power of North Korea or Iraq to face us now?

Secretary of Defense Perry summed it up best for the civilian leadership of the Department when he said; "I think it entirely implausible that we would ever fight two wars at once."<sup>17</sup> Even though we do not expect to have any of the "Top Ten Club" or the lesser powers of Iran, Iraq, or North Korea challenge us, we continue to prepare for war with them, and for the worse case scenario of two nearly simultaneous MRCs.

It is my opinion that the threats that the US will face in the next ten years are not reflected in our current threat analysis or spending plans. Rather, our planning should focus on Peacekeeping (Operations Other Than War) and countering Weapons of Mass Destruction (Ballistic Missile Defense). The argument is twofold. The US is spending vast amounts of money that is not needed on the wrong defense, actually weakening the nation's security due to the weak economic base. Secondly, the nation is not preparing an adequate defense for the threats likely to be faced in the future.

Peace Operations and other types of Operations Other Than War (OOTW) present a likely scenario that the US military must prepare for. Recent history provides numerous examples of commitment of US forces for humanitarian assistance, overthrow and capture of foreign heads of state involved in the drug trade, and peacekeeping operations. With the death of the bipolar world, such operations will likely increase in the future. Yet, National Security Planning does not focus here, rather it focuses on the possibility of a two MRC conflict.

Dr. Jeffrey Record best summarizes the future that defense should plan and fund for:

I tend to believe that we are entering an era in which the predominate form of conflict will be smaller and less conventional wars waged mostly within recognized national borders. State disintegration in much of Africa, the collapse of the Soviet Empire, the potential decomposition of Russia itself, and the likely spread of politically radical Islam, all portend a host of politically and militarily messy conflicts.. .strong pressure to participate in OOTW, especially in peace, humane relief, and nation building operations.<sup>18</sup>

Recent history and the political reality of the current world situation point to this area of conflict as the most likely threat that the US faces.

Possibly the greatest specific threat that the US faces in the near future is that posed by weapons of mass destruction and their delivery means. My focus is on conventional military delivery means. Unconventional delivery, for example the smuggling into the country of biological agents or a small nuclear device, are better addressed by the internal security of the country as well as the intelligence collection community.

Current estimates of the cost of funding a nuclear program bring the "great equalizer" into the cost range of many, if not most, nations. Ten to 15 billion dollars invested now will result in nuclear weapons production by the year 2010. There may be 20-30 such countries by then with that capability.<sup>19</sup>

You will recall the earlier argument that Iran was not a threat in the conventional sense-- that is not true in the nuclear sense. The Central Intelligence Agency (CIA) estimates, for example, that Iran will be in possession of nuclear weapons within eight to ten years.<sup>20</sup> Yet nuclear defense (antiballistic defense) is not addressed in the current defense budget. Intercontinental Ballistic Missile (ICBM) proliferation and the availability of such weapons on the world market should focus US attention.

Another potential threat to the US is its over dependence on foreign oil for energy needs. Currently, oil meets 40% of US energy requirements, while 45% of US oil consumption comes from foreign sources, largely the Persian Gulf.<sup>21</sup> Though our adversaries in the Persian Gulf are weak, our reliance on foreign oil makes the Gulf an area of vital interest to the US. This means that even though the US can defeat its adversaries in the Gulf, the nation must, due to its oil dependency, maintain large forces for intervention in the region. This potential threat to the US

economy requires large standing forces.

Having discussed the disastrous implications for national security of continued deficit spending and the historical precedent for overextension by continued overspending on the military, I have laid the ground work for defense cuts with an analysis of the threat. In order to discuss defense spending reductions it is important to analyze the defense budget.

In 1995 the US spent \$262.8 billion on defense, with \$252 billion going directly to the Department of Defense, \$10.3 billion going to the Department of Energy for atomic energy programs for the Defense Department, and \$.5 billion for defense spending that fell under other agencies.<sup>22</sup> That amounts to fully 1/2 of the discretionary spending available in the budget and makes it the largest area, by far, from which the deficit can be reduced.<sup>23</sup> To put the defense budget in perspective, defense spending equates to 5% of the nation's Gross National Product--the total value of goods and services produced within the US for an

entire year.<sup>24</sup> In of what the money actually purchases, the following is the breakdown for the 1995 force:

<b>Active Forces</b>		<b>Reserve Forces</b>	
Army Divisions	12	Army Combat Brigades	48
Navy Aircraft Carriers	11	Navy Air Wings	1
Navy Air Wings	11	Navy Aircraft Carrier	1
Marine Divisions and Air Wings	3	Other Navy Ships	19
Air Force Tactical Wings	13	Marine Division/Wing	1
		Air Force Tactical Wings	8
<b>Nuclear Deterrent</b>		<b>Mobility Forces</b>	
Intercontinental Ballistic Missile	585	Strategic Airlift Aircraft	354
Ballistic Missile Subs (Missiles)	16(384)	Sealift Ships	149
Bombers	140		
<b>Military Personnel</b>			
Active Force	1,523,000		
Guard and Reserve Forces	965,000 <sup>25</sup>		

This represents a modest 7% reduction in defense spending from the average Cold War budget. But in fact, it remains 50% higher than the 1980 budget (before the Reagan buildup).<sup>26</sup>

The current Administration's plan for the defense budget does not promise significant reductions in the future. Over the period 1995-2000, the defense budget will continue to average \$262.56 billion per year.<sup>27</sup> Given that the biggest threat to American Security is over extension,

specifically the economic consequences of a massive budget deficit, this seems to be the wrong tool for our national security.

If the American Empire is to be saved and if we are to adequately defend ourselves against the threat, then I suggest two possible courses of action. The first is a change in our foreign policy strategy that lessens the need for large defense forces and, therefore, contributes (with a smaller defense structure) to a smaller budget requirement. The second is to ignore the threat and make across the board defense cuts.

The very first recommendation is to base American Foreign Policy, specifically the use (and therefore the budgetary requirement) of US forces, on vital interests. I will rely on Henry Kissinger's definition of a vital interest: ". . . a change in the international environment so likely to undermine the national security that it must be resisted no matter what form the threat takes or how ostensibly legitimate it appears." <sup>29</sup>

Using the Kissinger definition as a gauge and using the budget deficit as a guide to our true national security threat, I would argue that other nations have a greater interest in solving the various squabbles around the world than we do. Bosnia for example is a European, not an American, security problem. This still leaves the US free to step in as the elder statesman. Support in these cases should be limited to minor logistical support from the military and maximized support from Peace Corps type organizations. If the US becomes committed to such operations, it should only be as a last resort, for example to restore a regional balance of power *if it is in our vital interest*. If a Bosnian type interest is not judged to be *vital* to the US and since the deficit is of *vital* interest to our security, then the decision not to intervene is clear.

In order to test the strategy, examine the case of Bosnia. The region that properly has an interest in Bosnia is Europe. France, Germany and Russia (all members of the "Top Ten Club") should properly take the lead in solving this European problem. Using the Kissinger definition and balancing the cost of intervention and the requirement for standing forces for similar interventions against the threat from the deficit, it is clear that Bosnia is not vital to American security.

Where the US defines its vital interests around the world will dictate the size of the US budget and its deficit vis-a-vis the requirement for maintenance of US forces. I suggest, *in general*, that the US should classify geographical areas of vital interests as the Persian Gulf, due

to our dependence on oil, and Central America (including the Caribbean) due to its proximity to the US and the potential for migration and economic threats to the US. At this point, the *ultimate vital interest is the reduction of the deficit* in order to maintain our economic health. Exceptions will come along, but they should be tested to see if they fit the definition of vital interests.

This leaves out some traditional areas of the world where a line has been drawn on the ground and national treasure has been spent in both presence and power projection. Yet, considering the threat of the deficit, the alternative is overextension and collapse.

How significant a burden is peacekeeping to the Defense Department? In the beginning of 1995 (before the intervention into Bosnia), the US had 23,000 troops deployed overseas for operations other than war.<sup>29</sup> This figure does not include the foray into Bosnia, nor does it include the enforcers of the peace stationed in the Korean Peninsula. As an example, the US intervention into Somalia cost the US \$2.2 billion;<sup>30</sup> read this to mean money added to the budget and, therefore, the deficit and the debt, and in fact **increasing the security threat to the US** by threatening overextension and economic collapse.

In the threat analysis discussed above, no major threat was discussed to our European allies. Indeed, the German Government has announced plans for a 40% reduction in its troop strength.<sup>31</sup> Considering the lack of a Soviet or Commonwealth of Independent States threat, the newfound buffer of the former Warsaw Pact states, and the German reduction in its own defense spending, this begs the question of why 100,000 US troops in Europe are allowed to contribute to the deficit?

The last area of our foreign policy that should yield cost savings in the form of lower insurance requirements in the defense budget is our commitment to Korea. The obvious question of vital interest goes back to the Truman Administration. Though it would be painful to see a friend fall, the ultimate question has to be, what would the fall of Korea mean to the US?

Even basing foreign policy with South Korea in the realm of *realpolitik*, it is doubtful that South Korea would ever fall to North Korean aggression. With 12 times the GNP and twice the population of the North, South Korea has the *capability* to raise an adequate defense force if it so desires.<sup>32</sup> Who could expect that the South Koreans would adequately fund their own defense when the US taxpayer accepts the burden?

This restructuring of foreign policy can aid in US national security by lessening the need

for defense dollars that contribute to the deficit. The savings are non-quantifiable, but are nonetheless significant when viewed as the basis of our defense spending.

As distasteful as this "backing down" may be to some, the alternative is to be beaten down by the deficit. Though the Clinton Defense Plan outlined above calls for a two nearly simultaneous MRC force, the reality is that the force will be underfunded by \$47 billion (the recent \$25 billion supplement is already factored in).<sup>33</sup> This means that if the US continues to spend 3% of GDP on defense, the force will, by default, be reduced to seven Active Army divisions, two MEFs, eight Active wings, and a six carrier Navy.<sup>34</sup> The point is that if cuts are not made now in order to help trim the deficit, then the cuts will be forced upon the military--not dictated by strategy, but dictated by the deficit.

In deciding how much military to buy, the US is in the position of a family buying a new car. A car, just like defense of the nation, is necessary to the family. The question facing the family and the nation is how much to spend. The family wants a top of the line Mercedes, but the cost of the car will compete against other necessities; food, credit card debt, the mortgage... more to the families budget, but less to their liking, is a Ford. The Ford meets all the requirements of a new car, but they still want a Mercedes. This is the same issue that defense must face. The current defense budget (and more) is what is wanted, but I am convinced a Ford can be driven for less and can provide for better US security. Indeed, the US can better insure itself by paying down the credit card debt while driving the Ford.

The premise of my defense proposal is that the main threat is the budget deficit and overextension. This means that big cuts have to be made in order to be secure in the future. Simply scaling down is not enough, nor does it focus on the true threat.

My first recommendation is that the US completely scrap the philosophy of two nearly simultaneous MRC engagements. This unrealistic requirement places an extreme burden on the budget. Directly related to this is the "Go it alone" philosophy in a MRC. This simply ignores the growing strength of US allies, and the lessening relative power of the US. If other nations are not prepared to assist the US in a coalition effort, then US participation becomes questionable. What would a one MRC force look like?

Active Army Divisions	8	Navy Carrier Groups	8
Reserve Army Divisions	6	Active Marine MEF	1, 2/3
Active Air Force Wings	10	Reserve Marine MEF	1 <sup>35</sup>

General Cohn Powell, while serving as Chairman of the Joint Chiefs of Staff, commented in the Bottom Up Review that these figures of eight Carriers and eight Divisions were adequate for one MRC and there would be troops left over for peacekeeping or humanitarian operations.<sup>36</sup>

The potential savings are significant from this force structure. I cannot quantify how much of a savings would result from cutting to eight Army divisions, but a conservative figure of \$10 billion dollars over five years is the factor for a 10 division force reduced from 12.<sup>37</sup> Likewise, cutting carrier battlegroups will yield a savings of \$1.7 billion per group per year, or \$25.5 billion over a five year period.<sup>38</sup> Structuring the force to meet a one MRC threat can save a minimum of \$35.5 billion over five years with cuts in the Army and Navy alone. Figures are not available for savings from structure changes for the Marine Corps or Air Force.

There are further savings to be made in the systems deployed and procured by defense dollars. Understand first that the US is going to lose its technology lead if it continues to procure expensive systems while there is no comparable threat. Procurement dollars rob long term investment dollars from research and development (R&D) programs.<sup>39</sup> Therefore, continued procurement of new weapons systems when there is no comparable threat simply weakens our ability to compete technologically in the future by robbing R&D dollars for modernization.

To fight one MRC, there is no need to carry out the planned extension of the B-2 fleet. A Rand study has indicated that in order to fight one MRC, the current planned force of 60 B-1s, 40 B-52s, and 20 B-2s should be sufficient.<sup>40</sup> I recommend cancellation of the planned procurement of the second set of 20 B-2s and recouping the savings of \$11-\$26 billion.<sup>41</sup>

A second aircraft recommendation is to cancel the F-22 program and save at least \$2.6 billion per year.<sup>42</sup> Based on the threat analysis, the F-15 should be adequate for the next 10 years. The Air Force would like to fly a Mercedes, but the Ford will do. The nation can recoup savings over the next five years of \$13 billion.

Similarly, there are less expensive alternatives to the MV-22 that will prove adequate over the next few years. Given that the CH-46 is clearly worn out, a cheaper and effective alternative

would be to purchase 36 new CH-53Es over the next five years. Now that the LST is gone, this Ford of the helicopter community can land on every amphibious deck, has unlimited range with in-flight refueling, good speed and tremendous lift. Total savings over five years would be \$4.6 billion.<sup>43</sup>

The final system reduction in the aviation community that I suggest is a reduction in the C-17 fleet. Remember that the strategy is to focus on one MRC; this alone should result in a reduction in airlift requirements, but even without that, there are cheaper alternatives to the C-17. I recommend keeping the initial requirement for 40 C-17s and their ability to operate from rough airfields, but suggest limiting the purchase there and substitute 34 modified 747s or MD11s as cargo/troop transports. The lift ability of these 34 747s/MD-11s is actually greater than an additional 54 C-17s, and the cost savings would be \$8.1 billion over 5 years.<sup>44</sup>

Considering the current threat being faced, I recommend following the Pentagon's own thinking in the Bottom Up Review and forgo procurement of a third Seawolf. Further, canceling the follow-on Centurion Submarine program, as well as Seawolf, while retaining the effective SSN-688 class could net savings of \$10.5 billion over the next five years.<sup>45</sup> There is no threat comparable to the previous Soviet threat, for which the systems were developed.

Related is the decreasing need for submarine based nuclear deterrence with the dissolution of the Soviet Union. Currently, the Navy deploys 240 D-5 nuclear missiles on its submarines. Each D-5 carries eight warheads, for a total of 1,920 targets. It further plans to upgrade four of its older submarines with the D-5 over the current C-4 system at a cost of \$3 billion.<sup>46</sup> I suggest that the current plan for 1,920 D-5 targets and the unknown number of C-4 targets is adequate for the current threat.

A final suggestion for the Navy is to reduce procurement of the DDG-51 Arleigh Burke class from 15 additional ships to 10. An elementary explanation of the DDG-51 is that of a reduced scale Aegis class cruiser. Originally designed for a variety of tasks, they were also designed to be assigned two per Carrier Battle Group. With the reduction in the carrier force I feel that the planned building program could be reduced from three per year (FY 96-00) to two per year. This reduction in five ships will save \$4.9 billion.<sup>47</sup>

In a final area of procurement, I think that there are significant savings to be had in nuclear weapons research. Considering the lessened threat to the US from the former Soviet

Union and the small number of weapons being maintained by the next closest or possible adversary (China at 270)<sup>48</sup>, it seems that there is a potential for savings. Even if the US continues to maintain the current stock of weapons, and with the desire to continue research, it seems that funding could safely be cut \$4 billion from the \$8 billion annual nuclear weapons research budget.<sup>49</sup> Total savings over five years would be \$20 billion.

In addition to changes in structure and reduction in systems procurement, I recommend one final change to the current defense budget concerning the area of environmental cleanup. In the 1995 budget alone, the defense budget allocated \$5.7 billion to environmental clean up.<sup>50</sup> Considering the depth of the problem facing the country and its security from the deficit, I suggest that the cleanup be continued, but over the next five years mandate that the amount of spending be cut by \$2 billion per year. The cleanup will continue, but at a slower rate. This could save \$10 billion over the next five years.

In total, the quantifiable savings from these changes in the budget would yield \$100.1 billion to \$115.1 billion over the five years of the estimate. These are conservative estimates that still do not include the unquantifiable savings to be realized by changes in our policy: reduction in troop strength in Korea and Europe, lessening of peacekeeping commitments, etc.

Considering the threat previously discussed, it would be prudent to rededicate some of this defense spending to better enhance our security. Based on a five year spending plan, I recommend the following increases in spending to insure national security;

- \$50 billion to strategic defense against weapons of mass destruction. Considering the increased threat from nations that will have nuclear capability, this seems prudent. \$100 billion over ten years is adequate to buy such an antimissile system;<sup>51</sup> therefore, the US needs to commit \$50 billion over 5 years.

- \$2.5 billion added to the Intelligence gathering budget over the five years of the proposal would seem a necessity. With the reduced level of funding for defense, there is a more narrow margin for error in assessing the threat. This increase in intelligence funding should help to give advanced warning of a potential threat and allow sufficient time to adjust future budgets to meet the threat.

- \$2.5 billion added to Research and Development over the next 5 years should help to

offset the reductions caused by current underfunding. Shifting the focus from procurement to R&D, linked to greater lead time in threat analysis due to increased intelligence funding, should help to maintain a technological lead.

-\$1.5 billion directed to energy research that would ease dependence on Persian Gulf oil. Large forces and power projection are required to satisfy the requirements of this vital interest. If the US can lessen the need for Gulf oil, it can lessen defense requirements.

-\$1.5 billion to increased foreign assistance. This is not foreign aid in grants, rather it is funding for increased people-to-people contacts that will buy influence in developing countries for the US. Examples of areas for funding would be the Peace Corps, US Agency for International Development (USAID), or education grants for teachers or doctors to study in the US and then return to their home nation. This will buy influence and aid in stability and relations.

-Most importantly, the remaining \$42.1 billion dollars over the 5 year period should be funneled to deficit reduction. Added to this would be the unqualified savings from foreign policy changes. This significant reduction in the deficit will help to strengthen the US economy and strengthen the American Empire.

We in the defense community have a duty to defend the nation, not our service budgets. My analysis leads me to the conclusion that the threat to the US is the deficit, nuclear blackmail and uncertainty. We must cut the defense budget to reduce the deficit and orient our strategy on the real threat. Only with this defense strategy can we strengthen the American Empire.

## NOTES

- <sup>1</sup> Paul Kennedy, *The Rise and Fall of The Great Powers* (New York: Vintage Books, 1987), xvi.
- <sup>2</sup> Kennedy, xvii.
- <sup>3</sup> M. T. Owens, "Strategy and Resources: Trends in the US Defense Budget," in *American Defense Annual*, ed. Williamson Murray (Ohio State University, 1995), 162.
- <sup>4</sup> Peter G. Peterson, "Facing Up, Paying Up, Ending the Budget Deficit," *Current*, February 1994, 18.
- <sup>5</sup> Mike Moore, "More Security for Less Money," *The Bulletin of the Atomic Scientist*, September/October 1995, 37.
- <sup>6</sup> Congressional Budget Office *Reducing the Deficit: Spending and Revenue Options-Congressional Budget Office* (US Government Printing Office, February 1995), 1.
- <sup>7</sup> Congressional Budget Office, 4.
- <sup>8</sup> Lauren Spain, "The Competition Has Bowed Out," *The Bulletin of the Atomic Scientist*, September/October 1995, 39.
- <sup>9</sup> Brian Sullivan, "American Strategic Policy for an Uncertain Future," in *American Defence Annual*, ed. Williamson Murray (Ohio State University, 1995), 37.
- <sup>10</sup> Danielle Gordon, "Underfunding or Overprogramming?" *The Bulletin of the Atomic Scientist*, September/October 1995, 38.
- <sup>11</sup> Dr. Jeffery Record, "Ready for What and Modernized Against Whom?" *Parameters*, Autumn 1995, 23.
- <sup>12</sup> Colonel John Caldwell and Alexander T. Lennon, "China's Nuclear Modernization Program," *Strategic Review*, Fall 1995, 28.
- <sup>13</sup> Callahan, David, "Saving Defence Dollars," *Foreign Policy*, Fall 1994, 107.
- <sup>14</sup> Callahan, 107.
- <sup>15</sup> Callahan, 106.
- <sup>16</sup> Record, 12.
- <sup>17</sup> Callahan, 108.
- <sup>18</sup> Record, 24.
- <sup>19</sup> Sullivan, 40.
- <sup>20</sup> James R. Woolsey, "Threats to the United States and its Interests Abroad," *Vital Speeches of the Day*, March 1, 1994, 293.
- <sup>21</sup> A National Security Strategy of Engagement and Enlargement, (The White House, February 1995) 21.
- <sup>22</sup> Congressional Budget Office, 16.
- <sup>23</sup> Owens, 169.
- <sup>24</sup> Linda Rothstein, Lauren Spain, and Danielle Gordon, "A sense of Proportion," *The Bulletin of the Atomic Scientist*, September/October 1995, 32.
- <sup>25</sup> Congressional Budget Office, 123.
- <sup>26</sup> Spain, 39.
- <sup>27</sup> *Budget of the US Government FY-96* (Washington, DC:US Government Printing Office, February 6, 1995).
- <sup>28</sup> Kissinger, 74.
- <sup>29</sup> Record, 28.
- <sup>30</sup> Elliot Cohen, "How to Think About Defense," in *American Defense Annual* ed. Williamson Murray (Ohio State University, 1995), 65.
- <sup>31</sup> Doug Bandow, "Keeping the Troops and the Money at Home," *Current History*, January 1994, 11.

- <sup>32</sup> Bandow, 8.
- <sup>33</sup> Congressional Budget Office, 15.
- <sup>34</sup> Owens, 170.
- <sup>35</sup> Andrew F. Krepinevich, "The Clinton Defense Strategy," an *American Defense Annual* ed. Williamson Murray (Ohio State University, 1995), p. 113.
- <sup>36</sup> Callahan, 108.
- <sup>37</sup> Congressional Budget Office, 52.
- <sup>38</sup> Krepinevich, 126.
- <sup>39</sup> John D. Morrocco, "Arms Modernization-Key Long Term Goal," *Aviation Week and Space Technology*, March 14, 1994, 49.
- <sup>40</sup> John T. correll, "The High Risk Military Strategy," *Air Force Magazine*, September 1994, 40.
- <sup>41</sup> Record, 7.
- <sup>42</sup> Lauren Spain, "A Stealthy \$72 Billion," *The Bulletin of the Atomic Scientist*, September/October 1995, 46.
- <sup>43</sup> Congressional Budget Office, 38, 39.
- <sup>44</sup> Congressional Budget Office, 44.
- <sup>45</sup> Lauren Spain, "Chasing the Phantom Fleet," *The Bulletin of the Atomic Scientist*, September/October 1995, 46.
- <sup>46</sup> Danielle Gordon, "More Missles, Fewer Targets," *The Bulletin of the Atomic Scientist*, September/October 1995, 47.
- <sup>47</sup> Congressional Budget Office, 35.
- <sup>48</sup> Phillip Morrison, "The Future of American Defense," *Scientific American*, February 1994, 40.
- <sup>49</sup> Morrison, 40.
- <sup>50</sup> Owens 197.
- <sup>51</sup> Sullivan 42.

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